

PULSES

Sept 25 -30, 2006

Highlights

Spot Markets

- Urad Harvest Progressing Well in UP, MP
- Tur from Tanzania to reach early Oct
- Sowing of Chana Started in South Peninsula

Highlights

Futures Market

- In its latest circular dated Sept 29, NCDEX stated that with reference to Circular No. NCDEX/OPERATIONS-021/2006/151 dated June 10, 2006, every constituent taking physical delivery of the commodities from the Exchange accredited warehouses is entitled to get the quality tested by the approved assayer on submission of the rematerialisation request.

Fundamentals

URAD:

Sentiments are turning weak in urad markets with the picking up of harvest in all the major producing areas. Weather situation is conducive for crop harvest in all the regions. Trading in Maharashtra has slowed due to increased uncertainty in the market over likely imposition of VAT in the state after September 30th, 2006. Traders in Maharashtra have called for 'Bandh' in protest from October 2nd, 2006. Karnataka government however, has extended the exemption of pulses from Vat regime further for six months from October. Millers in South are getting supplies from UP, MP and Gujarat (t-9 grade), which has affected demand of urad in stocks in the Karnataka and Andhra Pradesh. Stockists in these states are still optimistic about improvement in demand. According to them, quality of larger percentage of urad arriving from north and central India is not suitable for making of 'gotta dall', for which they feel millers there will return to them. Overall sentiments are weak with the increased supplies. Also, stockists would not like to make fresh purchases from the farmers at current high prices.

Urad Prices in Delhi and Mumbai (Rs/qtt.)

Date	Burma FAQ 2006 (Delhi)	Loyal Grade-UP/Bihar (Delhi)	Burma spot FAQ 2006 (Mumbai)

25.09.06	3900-4150	3625-3650	4000
26.09.06	NA	3650	4000
27.09.06	NA	3600	NA
28.09.06	NA	3600-3800	NA
29.09.06	NA	3200-3400	NA
30.09.06	NA	3200	4050

Urad Prices in secondary markets

QUALITY	23.09.06	30.09.06
Akola	3600-3900	3350-4000
Indore	4000	3000-3400
Vijaywada	NA	NA

International Price Offer For Urad, FAQ, SQ New: \$/MT CNF (Mumbai/ Chennai) 90 Days

Date	F A Q	S Q
23.09.06	670-680	730-740
30.09.06	830	930

TUR:

Downtrend persisted in tur markets. Crop perspectives have improved with the improving weather in major producing areas. Harvest in some early sown areas in South will start by end of October. Stock situation is comfortable this year. Harvest of tur has started in African countries. Shipments (containers) from African continent

(Tanzania) are likely to start arriving at Indian ports from first week of October. CNF prices for 'Arusha' grade from Tanzania were last quoted at \$400 per ton. Uncertainty over VAT in Maharashtra has resulted in decline in inquiries from Mumbai importers for the same.

Tur Prices at Delhi / Mumbai (Rs/qtt.):

Date	Burma Spot Delhi	Maharashtra Line (Delhi)	Burma Spot Mumbai
25.09.06	1850	1950	1700-1725
26.09.06	1850	1950	1700-1725
27.09.06	1850	1950	1700-1725
28.09.06	1900	2100	1700-1725
29.09.06	1950	2100	1700-1725
30.09.06	1950	2100	1700-1725

Tur Prices in secondary markets

QUALITY AND CENTRE NAME	23.09.06	30.09.06
Gulbarga - Red Tur	Closed	1900
Latur Red tur (Mh Line)	2100	2075
Latur White tur (Mh Line)	2125-2130	2050
Jalna Red	NA	1925
Jalna White	NA	2000
Jalna BDM	NA	NA
Akola Red Marathwada Line (motor cut)	2000	1965
Akola Red Vidharbha Line (motor cut)	2020	1970
Vijaywada Local	NA	NA

International Price for Tur USD/MT CNF (Mumbai) 90 Days

DATE	Tanzania Arusha	Burmese (Lemon Tur, Weeviled 15%)
23.09.06	430	350
30.09.06	400	350

MOONG:

Sentiments remained firm in Moong markets. Demand for the same was reported good from Gujarat last week. Optimism further for good festival demand ahead will not let moong prices fall. Harvest of the same is nearing completion in Maharashtra and mostly completed in Karnataka. Harvest is in progress in some parts of Maharashtra (Kekdi, Kishangarh and Medta line). Harvest in Shekhavati belt will pick up after Deepawali. Sentiments remained firm in Moong markets. Demand for the same was reported good from Gujarat last week. Optimism

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Latest prices in Delhi (Rs/qtt.)

Date	Kekdi/ Kishangarh (Delhi)	Shekhawati (Delhi)
23.09.06	3100	NA
30.09.06	3300	NA

International Price Offer for Moong USD/MT CNF (Mumbai) 90 Days

Date	Burmese Pokako	Burmese Annashewa	Burmese Pedishewa
23.09.06	NA	NA	620-630
30.09.06	NA	NA	650

CHICKPEAS:

Stockists seen worried over reports of good crop in major exporting nations like Australia and Canada, where farmers had high inclination towards this crop this season. In Canada, chickpea was the only crop that had stable price trend last year. While in Australia, farmers were highly convinced with crop-rotational benefits of legumes and also market perspectives were lucrative. Supply/demand mismatch in the major chana consuming countries of Asia namely India and Pakistan had given bullish signals to the international markets. Australia grows desi chickpea mainly for export to Asian continents. Weather though in Queensland was little problematic, good condition in other growing areas helped offsetting this factor. In domestic arena, demand has started dwindling due to higher prices. Only optimism stands with hopes of good demand for chana and products next month for series of festivals including Deepawali, which could help checking free fall in its prices.

Desi Chickpea Price Change in Delhi and Indore (Rs/qtt.)

Date	Rajasthan (Delhi)	M.P. (Delhi)	Indore (Kantewala)
25.09.06	3275-3280	3250	3175
26.09.06	3300	3250-3260	3180
27.09.06	3340	3300-3325	3210-3215
28.09.06	3290-3300	3270-3275	3150
29.09.06	3250-3300	3270	3100-3115
30.09.06	3275-3280	3260	3150-3160

Prices in Mandies of Maharashtra/ UP/ Karnataka

Centres	23.09.06	30.09.06
Gulbarga New	Closed	3050
Latur (Gauran)	3100	3000
Latur (Annagiri)	3250	3250
Latur(G-12)	3200	3100-3150
Jalna (Gauran)	NA	3200
Jalna (Pila)	NA	3250
Akola (Mixed) motor cut	3140-3150	3225
Akola new (Chapa) motor cut	3180-3185	3250
Kanpur (mandi rates)	3200	3300

MASOOR:

Sentiments remained weak in Masoor markets. According to trade sources, stock of motti grade masoor is sufficient, while chotti grade is short. 'Chotti grade masoor' usually goes to export, which is banned till March 31st, 2007. So, supply situation is not very concerning, while demand is not good due to higher prices.

Prices in Delhi/ UP/ Indore (Rs/qtt.)

Date	MP/Kota Line (Delhi)	UP/Sikari (Delhi)
25.09.06	2050	2575
26.09.06	2050	2575
27.09.06	2070	2600
28.09.06	2070	2600
29.09.06	2025	2600
30.09.06	2050	2600

Prices at Secondary Centres (Rs/qtt)

Date	Indore Masra	Indore Masoor	Indore Medium	Kanpur	Bareilly
25.09.06	1910	1900	1825	2025	2090
26.09.06	1900	1890	1850	2025	2080
27.09.06	1900	1890	1850	2025	2100
28.09.06	1900	1890	1850	2025	2100
29.09.06	1860	1850	1800	2000	2080
30.09.06	1890	1880	1800	1990	2090

FIELD PEAS:

Field peas markets observed weak trend. Reports of big consignments ahead kept the markets in dispirited mood. Also, ease in chana markets had mildly bearish impact on peas. Likely good supplies of peas from overseas markets will keep the prices of peas under check.

Peas Price Movement (Rs/qtt)

Offers	Kanpur New	Mumbai Peas
23.09.06	1660	1501

30.09.06	1640	1475
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NEWS

Karnataka government has further extended the exemption period for essential foodgrains and pulses from value added tax (Vat) for further six months starting from October, informed Sh Chandra Shekhar of Gulbarga Dall Mill Owners' Association. Vat was implemented in the state last year, but Government had given exemption to foodgrains and pulses from the vat for one-year up to March 2006, which government later extended till September 30, 2006. Chandra Shekhar of Gulbarga Dall Mill Owner Association give lot of credits to the efforts made by Sh shramabasappa Dashanapur, Minister of Agriculture Marketing, Karnataka

Source- ANAS

Future Markets (NCDEX)

Chana

NCDEX chana October futures observed volatile trend during the week. Initial gains were posted on festival demand and hypes of immediate shortage. Overseas reports suggesting good production in major exporting nation caused nervousness among people having long positions in front months. Strengthening of INR versus dollar also had slightly bearish effect. November contract was most actively traded contract during the week. People are timely rolling their positions to later months. Although delivery center has been opened in Bikaner, but this facility is not availed actively so far. Stock of chana is high in accredited warehouses of NCDEX at Indore. As on September 27, stock of chana in accredited warehouses of NCDEX at Indore was 10428 ton, while in Delhi it was 983 MT.

PRICE DRIVERS:

Festival Demand Ahead
High Prices in International Markets
Good production in major exporting nations
Strengthening of INR versus Dollar

OUTLOOK:

Short Term (One Week): Moderately bullish due to festival season ahead

Medium Term (One Month): Steady to slightly weak depending up offerings from overseas markets

Long Term (Three Months): Firm trend due to off-season

Chana (NCDEX October Contract)

Support-1	3208	Support-2	3134
Resistance-1	3350	Resistance-2	3418
Strategy	Buy on dips towards supports		

Futures Market (NCDEX)

Urad

NCDEX Urad October futures saw steep fall during the week, for which traders blame increasing arrivals in major producing mandis. Harvest of urad is picking up amidst favorable weather situation. Weak cash basis due to decline in demand of stockists also weighed on values. Stockists are not comfortable with current high prices. Volume still is low, which probably due to higher margins. In recent, NCDEX imposed additional margin of 5% in pursuant to FMC directives on long positions for all the contracts of Urad with effect from September 25, 2006. However, experts feel that increasing margin is not effective measure to check volatility. Rather it pushes small investors out and market becomes more vulnerable to manipulations due to limited participation.

PRICE DRIVERS:

Improved weather in Maharashtra and central India
High Prices in International Markets
Strengthening INR versus Dollar
Imposition of VAT in Maharashtra from October

OUTLOOK:

Short Term (One Week):

Moderately bearish with the picking up of harvest

Medium Term (One Month):

Moderately bearish due to increased availability

Long Term (Three Months):

Bullish as produce will come in possession of stockists/millers

Urad (NCDEX October Contract)

Support-1	3228	Support-2	3066
Resistance-1	3625	Resistance-2	3860
Strategy	Sell on intra-day highs		

Tur

NCDEX Tur October futures saw downtrend all through the week. Favorable weather situation and sluggish demand in domestic markets were the prime bearish factors. Since, trading is allowed now only on desi grades, local/domestic factors are more crucial. Since, deliveries of desi tur is allowed, price-discovery traders expect would be more rational, which in fact will depend up on actual demand supply situation. Volume and Open Interest remained low so far, which traders feel will improve in due course of time. October remained most actively traded contract during the week.

PRICE DRIVERS:

Good stock situation
Favorable weather situation
Sluggish demand in the physical markets
Fresh offerings from African continent

OUTLOOK:

Short Term (One Week):

Moderately bearish due to favorable weather situation

Medium Term (One Month):

Slightly firm on festive demand

Long Term (Three Months):

Steady to weak with the onset of fresh harvest

Tur (NCDEX October Contract)

Support-1	1791	Support-2	1743
Resistance-1	1931	Resistance-2	2023
Strategy	Sell on intra-day highs		











Latest Vessel Position

- Mumbai Port is receiving 7,000 MT of pulses from the vessel 'Lion Princes'. Mumbai Port is receiving 10,000 MT of pulses from the vessel 'Alaba'. Sahi Oretrans agents is handling the vessel. Delivery of 18,500 MT of pulses is expected at the port from the vessel 'Lady Nariman'. Marco Shipping agents will be handling the vessel. The port is expecting 'Yaad E Moustafa' to discharge 14,439 MT of pulses.
- Delivery of 18,000 MT of peas is expected at Kolkata Port from the vessel 'Stefanis'. B Ghose agents will be handling the vessel.

Forex rate as on 30.09.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.960
European Union	Euro	58.250
Japan	100 Yen	38.891
United Kingdom	GBP	86.010

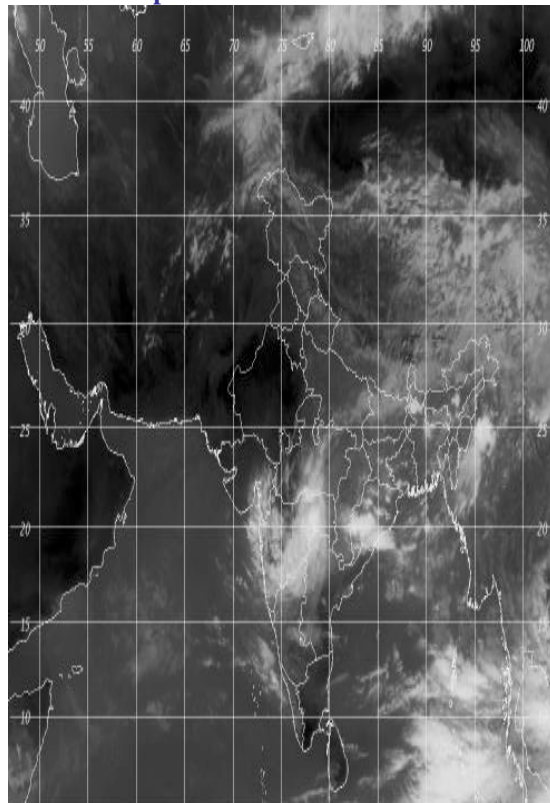
Crop -Weather Impact

Commodity	States	Crop Stage	Weather Forecast	Impact
Urad (Kharif + Rabi)	Karnataka	Harvesting	Mostly Dry 	No effect
	Madhya Pradesh	Harvesting	Isolated Rains 	Not much Impact
	Uttar Pradesh	Harvesting	Isolated rains 	Good
	Maharashtra	Harvesting	Isolated rains 	Not Desirable
Tur (Kharif)	Maharashtra	Vegetative growth + Flowering	Isolated Rains 	Good
	Karnataka	Vegetative growth + Flowering	Mostly Dry 	Good
	MP	Vegetative growth + Flowering	Isolated Rains 	Good
Mung (Kharif + Rabi)	Rajasthan	Harvesting	Mostly Dry 	Good
	Maharashtra	Harvesting	Isolated Rains 	Not much impact
	Karnataka	Harvesting	Mostly Dry 	Not much impact

*Valid till 3rd Oct, 2006

Source-IMD

Weather Map



2006-09-30 09:00:04

Source-IMD

International Highlight

India's Import Matrix for Burmese Pulses (Tonnes)

Pulses	Nov, 05	Dec, 05	Jan, 06	Feb, 06	March, 06
Black Matpea	12,628	9,979	24,427	14,973	31,539
Mung beans	5,998	8,774	13,472	12,608	27,084
Black Eye Beans	-	-	1,947	3,223	1,928
Chickpeas	407	-	-	-	358
Tur whole	11,127	10,135	12,067	5,951	12,039
Kidney Beans	1,883	138	161	1,103	2,057
Total	32,043	29,026	52,074	37,858	75,005

USDA

Monthly Total Exports of Burma (qty. in tonnes)

Months	2003	2004	2005
January	43,885	59,450	37,528
February	65,471	85,062	51,171
March	70,011	131,179	71,433
April	88,772	129,001	56,153
May	51,591	139,895	62,878
June	100,893	98,906	92,430
July	107,520	68,992	64,063
August	87,198	47,786	75,578
September	100,575	30,748	44,082
October	99,008	34,080	46,235
November	36,638	45,107	35,959
December	38,493	35,584	32,159
Total	8,90,055	9,05,790	667,869

(Source: Commerce Ministry, Myanmar)

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