

PULSES

Aug 28 -Sept 02, 2006

Highlights

Spot Markets

- Weather Little Concerning in Karnataka
- Kharif Harvest of Urad & Moong Picking up Gradually
- Demand of Pulses Dwindling From Retail End at Higher Prices

Highlights

Futures Market

- In its recent notification, NCDEX has made it clear that penalty provisions stated in circular no NCDEX/TRADING-095/2006/195 dated July 31, 2006 would be applicable in cases where client exceeds permissible limits of Open Interest of different commodities even while trading through different trading members. In other words, the client level position limit is applicable on the combined positions for the same client trading through different members, as well.

Fundamentals

URAD:

Weather is crucial factor in urad markets. Situation is little concerning in central and in some parts of western India, where crop is nearing maturity. Extended spell of rains in these areas might cut its yield potential. Further, news of imposition of restriction on stock limits had mild bearish impact on its prices. Stock at present is not good, but decision has come just before beginning of its harvest, which will help discouraging hoarding of stocks. Prices are still higher in international markets. We usually import around 2.00-2.50 lakh ton of urad from Burma to meet the domestic shortfall. But this year, we already have imported 239,313 MT by July. Both govt and private importers are buying the same still aggressively, which has given bullish signal to international market.

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

Date	Burma FAQ 2006 (Delhi)	Loyal Grade-UP/Bihar (Delhi)	Burma spot FAQ 2006 (Mumbai)
28.08.06	3250	NA	3300
29.08.06	3400	NA	3350
30.08.06	3400	NA	3350
31.08.06	3450-3500	NA	3325
01.09.06	3500	NA	3400-3425

02.09.06	3525	NA	3350-3400
----------	------	----	-----------

Urad Prices in secondary markets

QUALITY	26.08.06	02.09.06
Akola	3500	NA
Indore	2800-3200	2800-3100
Vijaywada	3925-3975	3650-3700

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

Date	F A Q	S Q
26.08.06	670-680	730-740
02.09.06	670-680	730-740

TUR:

Tur markets also observed weak trend. Weather is favorable for the crop. Stock situation is comfortable in major producing markets. Slight fall in its demand was seen with harvest of other kharif pulses in Karnataka and some areas of Maharashtra. Only friendly factor is its higher prices in international markets. Harvest of tur is likely to start in African countries like Malawi, Mozambique, and Tanzania etc by second fortnight of September. This tur is imported mainly for consumption in Gujarat.

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

Date	Burma Spot Delhi	Maharashtra Line (Delhi)	Burma Spot Mumbai
28.08.06	1750	1850	1675
29.08.06	1750	1850	1675-1681
30.08.06	1750	1850	1711
31.08.06	1750	1850	1711-1715
01.09.06	1750	1850	1671-1681
02.09.06	1775	1850	1650

Tur Prices in secondary markets

QUALITY AND CENTRE NAME	26.08.06	02.09.06
Gulbarga - Red Tur	2020-2025	2000
Latur Red tur (Mh Line)	2050-2060	2050
Latur White tur (Mh Line)	2075	2080
Jalna Red	NA	NA
Jalna White	NA	1900
Jalna BDM	NA	1950-2000
Akola Red Marathwada Line (motor cut)	1975	NA
Akola Red Vidharbha Line (motor cut)	1975	NA
Vijaywada Local	1725-1730	1725

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

DATE	Burmese (Lemon Tur, Weeviled 15%)
26.08.06	NA
02.09.06	350

MOONG:

Sentiments turned weak in moong markets with the onset of its harvest in Maharashtra, Karnataka and some areas of Rajasthan. Rains in recent have affected its supply to northern markets. Further, buyers in northern states have held up buying in anticipation of fall in its prices with the picking up of harvest in Rajasthan, which is the largest producing state followed by Maharashtra, UP, Gujarat etc. Production of moong in Rajasthan is expected to remain up on year basis. Harvest in other states also is expected to gain momentum with in a fortnight or so.

Latest prices in Delhi (Rs/qt.)

Date	Kekdi/ Kishangarh (Delhi)	Shekhawati (Delhi)
26.08.06	3025	2950

02.09.06	2975	2950
----------	------	------

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

Date	Burmese Pokako	Burmese Annashewa	Burmese Pedishewa
26.08.06	NA	NA	620-630
02.09.06	NA	NA	620-630

CHICKPEAS:

Sentiments remained weak in Chana markets. Demand for the same has been dwindling at current high prices. Also, people/millers are little cautious about likely actions by the state government towards dehoarding. State government has been given power to take actions against hoarders in order to curb prices of essential commodities. Further, processors or millers are turning towards other available cheaper alternatives like corn, peas etc. Millers will also not be keen in accumulating stocks ahead of harvest of other kharif pulses. Also, prices of chana in domestic markets have already exceeded the import parity levels. Overall, fundamentals are bearish in chana markets.

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

Date	Rajasthan (Delhi)	M.P. (Delhi)	Indore (Kantewala)
28.08.06	2670-2675	2650	Closed
29.08.06	2715	2675	2665-2670
30.08.06	2700	2680-2685	2700
31.08.06	2700-2710	2685	2645
01.09.06	2690-2700	2650-2675	2650-2675
02.09.06	2735-2740	2700	2675-2680

Prices in Mandies of Maharashtra/ UP/ Karnataka

Centres	26.08.06	02.09.06
Gulbarga New	2700	2800
Latur (Gauran)	2650	2650
Latur (Annagiri)	2750	2850
Latur(G-12)	2700	2700
Jalna (Gauran)	NA	2675
Jalna (Pila)	NA	2750
Akola (Mixed) motor cut	2700	NA
Akola new (Chapa) motor cut	2725	NA
Kanpur (mandi rates)	2750	2750

MASOOR:

Masoor markets featured mixed trend. Outstation demand for the same remained low due to increased availability of other alternatives like pea etc in eastern markets. Stockists however, continued quoting higher for their produce, as stock of export quality is low. According to traders, production itself was low this year in tarai region. So, stockists are in no mood to empty out their stock before off-season.

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

Date	MP/Kota Line (Delhi)	UP/Sikari (Delhi)
28.08.06	1925	2500-2525
29.08.06	1950	2575
30.08.06	2025	2650
31.08.06	2025	2650
01.09.06	2050	2650
02.09.06	2050	2650

Prices at Secondary Centres (Rs/qtt)

Date	Indore Masra	Indore Masoor	Indore Medium	Kanpur	Bareilly
28.08.06	Closed	Closed	Closed	1980	2020
29.08.06	1930	1920	1800	2000	2060
30.08.06	1920	1910	1800	2000	2070
31.08.06	1900	1890	1800	2000	2070
01.09.06	1900	1890	1800	1990	2050
02.09.06	1900	1890	1800	2000	2060

FIELD PEAS:

Reports of big consignments due ahead had not much impact on its prices. Harvest of the same is in full swing in major exporting nation Canada. Sources informed that one big vessel carrying has been shipped from Canada for India. Demand of field pea is good in domestic markets.

Peas Price Movement (Rs/qtt)

Offers	Kanpur New	Mumbai Peas
26.08.06	1510-1515	1575-1600
02.09.06	1490	1550

Saskatchewan is running far ahead compared to last year pace. According to Saskatchewan Agriculture and Food's weekly crop report for August 27, 2006, around 85% of peas in the region has been combined, compared to 39% a year ago. Similarly, 89% of lentil is combined compared to 30% a year ago and 44% of chickpea is combined against 7% combined by this time last year. Agriculture Canada is expecting production of peas in 2006 at 2.784 million ton.

Glimpses - Future Markets (NCDEX)

Chana

September Chana contract took roller-coaster ride during the week on reports of continuously changing weather situation and imposition of stock limit on pulses and wheat by the government. Increased volatility and volume of trading in chana also pulled intervention by Forward Market Commission (FMC) in order to check any kind of manipulation possible. Trading in pulses has become highly sensitive, as its movement on price index is still on radar of media. In pursuant to FMC directives, NCDEX has levied total additional/special margins payable in cash on both net long and short position in chana. This special margin in chana would be 15% on long and 10% on short w.e.f. end of day positions as of Monday, September 4, 2006.

Urad

Starting of the week was slightly weak probably due to reports of its harvest beginning in early sown areas. Weather problems and firm advises from international markets checked fall in futures. Volume and Open Interest has started rising in desi contracts. October was the most actively traded contract of urad during the week.

Tur

September Lemon Tur contract featured steady downtrend for most of the week. Most fundamentals stood bearish for tur and there was literally nothing to support. Trading is gradually picking up in desi contracts. But September future (lemon tur) was most actively traded among all available tur contracts.

NEWS

Harvest of pulses and dry beans has started in Canada and picking up momentum gradually. Harvest pace in some areas like

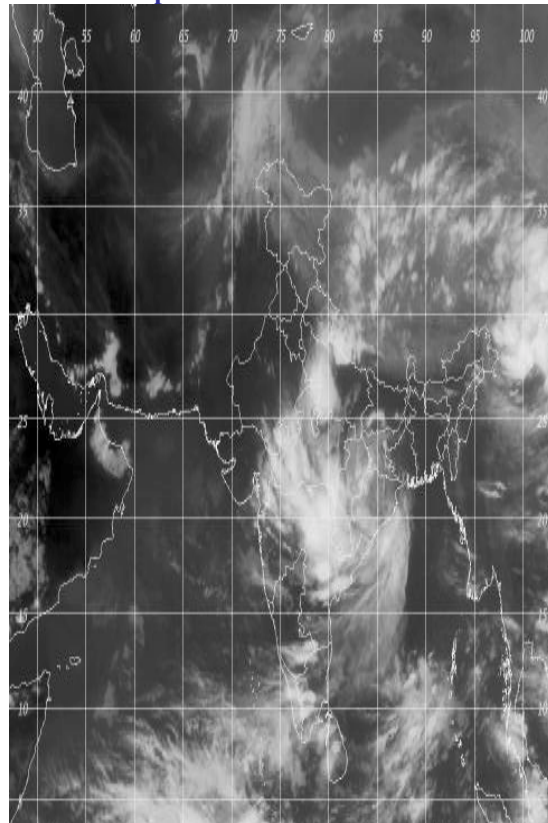
Crop -Weather Impact

Commodity	States	Crop Stage	Weather Forecast	Impact
Urad (Kharif + Rabi)	Andhra Pradesh	Harvesting	Isolated rains	No Impact
	Karnataka	Pod Setting + Harvesting	Dry	Not concerning
	Madhya Pradesh	Flowering+ Pod setting	Isolated rains	Little concerning
	Uttar Pradesh	Flowering+ Pod setting	Isolated rains	Little Concerning
	Maharashtra	Flowering+ Pod Setting	Isolated rains	Little Concerning
	Maharashtra	Vegetative growth	Isolated rains	Good
	Karnataka	Vegetative growth	Dry	Little Concerning
	MP	Vegetative growth	Isolated rains	Good
Mung (Kharif + Rabi)	Rajasthan	Flowering+ Pod Setting	Mostly Dry	Good
	Maharashtra	Pod-setting + Harvesting	Isolated rains	Not much impact
	Karnataka	Harvesting	Dry	Good

*Valid till 7th Sept

Source-IMD

Weather Map



2006-09-04 13:00:04

Source-IMD

Latest Vessel Position

- Delivery of 17,688 MT of peas is continuing at Kolkata Port from the vessel 'Mikhail Strekalovsky'. 'Macho' has berthed at the port and continues to discharge 15,997 MT of peas. Multinode agents is handling these vessels. The port is receiving 14,000 MT of peas from the vessel 'Full City'. The vessel is being handled by B Ghose agents.
- Delivery of 14,500 MT of pulses is continuing at Chennai Port from the vessel 'Yaad E Mohammed'. Imperial agents is handling the vessel.

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)

Forex rate as on 02.09.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	46.530
European Union	Euro	59.714
Japan	100 Yen	39.735
United Kingdom	GBP	88.672

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd.