

PULSES

Nov 06-11, 2006

Highlights

Spot Markets

- Low demand of pulses at higher prices
- Favourable weather situation for pulses
- Australia slightly lowered its chickpea quotes

Highlights

Futures Market

- In its latest circular dated November 02, 2006, NCDEX increased position limit for all contracts of urad for members to 15000 MT or 15% of Market OI (Whichever is higher) and 5000 MT for client. Position limit for tur has also increased to 15000 MT or 15% of Market OI (Whichever is higher) for members and 5000 MT for client.

Fundamentals

URAD:

Weaker sentiments are ruling the urad markets these days thanks to good supply in terminal markets and equally good stock position with some major consuming centres viz southern part of the country. Urad crop keep coming from different parts of the country through out the year. Harvesting of Urad in West Bengal is at its completion, whereas Assamese farmers are now coming up with their Kali Urad. Orissa and Andhra Pradesh are the next to follow. Further, sowing of Rabi Urad is also in full swing in a favorable weather. Production of urad in rabi season this year is expected to reach at 3.00 lakh ton. These factors are imparting bearish sentiments to the Urad markets. Weather in eastern parts of the country, where harvesting of Urad in progress, is slightly unfriendly, if it pours heavily the harvesting pace would be affected. Demand side is also subdued as millers are finding difficulty in retailing urad dall at higher prices, so they are not keen in making purchase of urad very actively. Traders in most trading centres are not very optimistic about urad prices in near term.

Urad Prices in secondary markets (Rs/ctl.)

Date	Jalna	Gulbarga	Akola
11.11.06	3550	3500	3200-3500
03.11.06	3575	3600	3500-3600

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

Date	F A Q	S Q
11.11.06	850	950
03.11.06	850	950

TUR:

Tur market witnessed easing sentiments during this week with the approach of harvesting season. Harvesting has started in Haryana and some patches of UP. Karnataka will be next to follow. Weather is congenial for the harvest and is equally supportive for the maturing crop. Though, acreage this year has fallen slightly as farmers would have switched to other lucrative options like Urad and Moong, the fall in prices is obvious as fresh crop comes up in the market with some bearish sentiments. According to ministry of Agriculture, sowing of tur by October 20 was done in 35.98 lakh hectares, slightly down as compared to 38.39 lakh hectares sown a year ago. Import has been low due to disparity. With the progress of harvest the arrivals will increase and thus pressure the prices further. So the market is likely to see gradually increasing bearish momentum in the coming weeks.

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

Date	Burma Spot Delhi	Burma Spot Mumbai
11.11.06	1800-1850	1600
03.11.06	1875	1650

Tur Prices in secondary markets

QUALITY AND CENTRE NAME	11.11.06	03.11.06
Gulbarga - Red Tur	1875	1900
Latur Red tur (Mh Line)	1975	1975
Jalna Red	1700	1750
Akola Red Vidharbha Line (motor cut)	1815-1820	1870

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

DATE	Tanzania Arusha	Burmese (Lemon Tur, Weeviled 15%)
11.11.06	400	350
03.11.06	400	350

MOONG:

Moong markets saw steady sentiments during the week and weakness in other pulses couldn't pressure the prices. Demand and supply both remained on the lower side during the period. Supply of the commodity kept falling in the major production centres at the same time demand also were subdued in the consumption centres due to higher prices. Some easing in prices can be seen if prices of other pulses continue remain on the bearish side.

Latest prices in Delhi (Rs/qt.)

Date	Kekdi/ Kishangarh (Delhi)	Shekhawati (Delhi)
11.11.06		
03.11.06		

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

Date	Burmese Pokako	Burmese Annashewa	Burmese Pedishewa
11.11.06	NA	NA	650
03.11.06	NA	NA	650

CHICKPEAS:

Chana markets continue to witness lack lustre trading in all major centres. There were no major fresh fundamental developments in Chana markets. Government decision to export 200MT Chana to Sri Lanka on humanitarian ground has no impact of the market prices, as the quantity to be exported is quite small. Sowing of Rabi Chana is done in most areas and weather is favourable for the crop in these regions. The acreage of Chana this Rabi season is reported to increase as farmers are shifting from Mustard to Chana and Wheat. Further, demand in pulses market also remained subdued during the period due to higher prices. In addition to this, 40000MT Australian chickpea is also expected to come in Indian markets to fill up some of the demand supply gap. All these bearish factors eased the prices a bit during this week. Prices are still very high in the international markets thanks to bargaining power of suppliers. So, the situation is ambiguous in the Chana

market and it will be interesting to see that at what prices the subdued demand rekindles.

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

Date	Rajasthan (Delhi)	M.P. (Delhi)	Indore (Kantewala)
11.11.06	2800-2825	2800	2725
03.11.06	3100	3080	2975-2980

Prices in Mandies of Maharashtra/ UP/ Karnataka

Centres	11.11.06	03.11.06
Latur (Gauran)	2500	2700
Jalna (Gauran)	2700	2950
Akola (Mixed) motor cut	2725	2925
Akola new (Chapa) motor cut	2725-2750	2950

MASOOR:

Masoor markets saw slightly easing sentiments during the week in conjunction with the other pulses. Government decision to export 2000MT Masoor to Sri Lanka is however likely to support the falling prices to some extent. Demand though was weak due to increased availability of imported peas in eastern centres. Some seasonal increase in the demand is likely as the winter progresses.

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

Date	MP/Kota Line (Delhi)	UP/Sikari (Delhi)
11.11.06	1925-1950	2600
03.11.06	1950	2600

Prices at Secondary Centres (Rs/qt)

Date	Indore Masra	Indore Masoor	Bahraich	Kanpur
11.11.06	1800	1790	3000	1960
03.11.06	1840	1840	3000	1960

FIELD PEAS:

Field pea prices cooled off slightly during the period as imported peas continue to flood the Indian markets. Though the prices of Canadian and Australian pea are higher this year on account of poor production, they are still finding avenues like India to sell their produce at premium. Indian market has good demand for the same, as higher prices of other pulses are forcing consumers with lower income to switch to the peas. However, bulk of imported peas in the Indian markets are now pressuring the prices down as with

the approach of winter season demand is also shifting towards cheaper vegetables.

Peas Price Movement (Rs/qt)

Offers	Kanpur New	Mumbai Peas
11.11.06	1470-1475	1251
03.11.06	1550	1301

NEWS

The Government has decided to export masoor dal and green grams to Sri Lanka on humanitarian grounds. "The Sri Lankan Government had sought import of certain essential items. We have decided to export small quantity of masoor dal and green gram on humanitarian grounds", Finance Minister P Chidambaram told reporters after a meeting of the Cabinet Committee on prices. He said 2000 tonnes of masoor dal and 200 tonnes of green gram would be exported to Sri Lanka.

Future Markets (NCDEX)

Chana

Bears were the dominant players in Chana futures market this week. The prices slumped during the week on increased selling in Chana futures on account of slightly easing sentiments in the spot markets. Chana for

Futures Market (NCDEX)

Urad

Urad prices declined steeply during the week on bearish cues from domestic spot markets. December delivery Urad Desi on the NCDEX started the week on a firmer note but the prices couldn't sustain the higher levels and slipped sharply there after. The futures dropped down by about Rs. 362 by late this week. The contract saw a sharp decline from the level of Rs. 3593 to Rs. 3231 late during the week. The activity levels in the Urad futures remained on the higher side throughout the week, whereas the open interest dipped slightly.

PRICE DRIVERS:

Harvesting in Bengal and Assam
Weather is slightly unfriendly in Eastern parts of the country.
High Prices in International markets
Favorable weather for Rabi Urad

December delivery at NCDEX extended its recent losses this week and the prices declined from Rs. 2956 to 2706 by the weekend. Volumes traded during the period increased sharply at the same time open interest also kept adding. This shows the downfall was backed by the good participation of the market players.

PRICE DRIVERS:

Increased acreage of Chana expected this Rabi season

Dwindling demand at higher prices

High prices in international markets

Favorable weather for the crop

Talks of due Consignment from Australia in November

OUTLOOK:

Short Term (One Week): Tentative on mixed demand supply scenario

Medium Term (One Month): Moderately bullish in off-season

Long Term (Three Months): Slightly weak ahead of domestic harvest

Chana (NCDEX November Contract)

Support-1	2679	Support-2	2610
Resistance-1	2874	Resistance-2	2926
Strategy	Buy on major dips		

Tur

Tur futures at NCCDEX tumbled during the week pressured by easing sentiments and poor demand in the terminal markets. NCDEX December futures contract of Tur witnessed losses on active participation of sellers as sentiments eased with the onset of harvest in some patches. The prices were seen in red throughout the week and declined from Rs. 1846 to Rs. 1727 by late this week. The decline was well supported by some good volumes during the period; the open interest also kept rising from 4920 to 6520 late this week.

PRICE DRIVERS:

Harvesting in Haryana and some patches of UP
Good stock situation

Favorable weather for Rabi Urad

Favorable weather situation

Sluggish demand in the physical markets

Slowed import due to low margins

OUTLOOK:

Short Term (One Week): Moderately bearish due to weak demand and fresh supply

Medium Term (One Month): Moderately bullish due to off-season

Long Term (Three Months): Moderately bearish ahead of rabi harvest

OUTLOOK:

Short Term (One Week): Moderately bearish due to onset of harvest in some patches

Medium Term (One Month): Moderately bearish in harvesting season

Long Term (Three Months): Bearish due to increased supply

Urad (NCDEX November Contract)

Support-1	3159	Support-2	3097
Resistance-1	3494	Resistance-2	3550
Strategy	Sell on rallies towards resistance		

Tur (NCDEX November Contract)

Support-1	1694	Support-2	1651
Resistance-1	1819	Resistance-2	1840
Strategy	Sell on rallies towards resistance		













Latest Vessel Position

- Vessel Kang Qiang has discharged 27150 MT of peas so far. Discharge of balanced 22160 MT pea is continuing from the vessel. Sahi Oretrans P Ltd is handling the vessel. Another vessel Captain Nemo-VI has arrived at port to discharge 13516 MT of yellow/white peas. Shaan Marine will be handling this vessel.
- Lissa Topic' has arrived at Kolkata port. Vessel is carrying 39,383 MT of peas. Vessel 'Columbia River' has arrived at port to discharge 26916 MT of peas. Another vessel 'Nepheli' has arrived at port to discharge 36,370 MT of peas.
- Vessel 'MV Great Summit' has arrived at Tuticorin port to discharge 32,369 MT of peas. Vilsons shipping is handling this vessel. Another vessel 'Bianco Zealand' is expected to arrive on November 11, 2006. Vessel will bring 17,565 MT of peas. Hari & Co will be handling this vessel.

Forex rate as on 04.11.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.45
European Union	Euro	57.12
Japan	100 Yen	37.82
United Kingdom	GBP	84.83

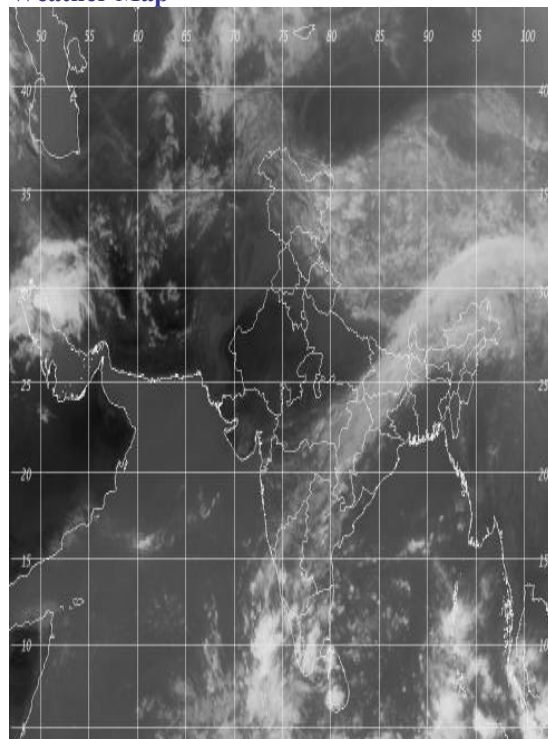
Crop -Weather Impact

Commodity	States	Crop Stage	Weather Forecast	Impact
Urad (Kharif + Rabi)	Assam	Harvesting Started	Isolated Rains 	No effect
	West Bengal	Harvesting Near Completion	Isolated Rains 	Not Concerning
	Andhra Pradesh	Maturity	Mainly Dry 	Good
	Orissa	Harvesting to Start	Isolated Rains 	Not Concerning
	AP	Sowing Near Completion	Isolated Rains 	Good
Tur (Kharif)	Maharashtra	Flowering + Pod setting	Isolated rains 	Good
	Karnataka	Flowering + Pod setting	Isolated Rains 	Good
	MP	Flowering + Pod setting	Mainly Dry 	Good
	Haryana	Harvesting	Mainly Dry 	Good
Mung (Kharif + Rabi)	Rajasthan	Harvesting Completed	Mainly Dry 	Good
	Maharashtra	Harvesting Completed	Mainly Dry 	No impact
	Karnataka	Harvesting Completed	Isolated Rains 	No impact

*Valid till 18th Nov, 2006

Source-IMD

Weather Map



2006-11-04 09:00:02

Source-IMD

International Highlight

India's Import Matrix for Burmese Pulses (Tonnes)

Pulses	March, 2006	April, 2006	May, 2006	June, 2006	July, 2006
Black Matpea	31,539	34322	54446	36146	43460
Mung beans	27,084	21545	16436	5237	5958
Black Eye Beans	1,928	2493	1554	380	156
Chickpeas	358	360	320	200	1946
Tur whole	12,039	6589	19465	6253	30075
Kidney Beans	2,057	594	795	704	2491
Total	75,005	67157	93379	48960	84302

USDA

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)

Monthly Total Exports of Burma (qty. in tonnes)

Months	2003	2004	2005
January	43,885	59,450	37,528

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