

PULSES

Nov20-25, 2006

Highlights

Spot Markets

- Low demand of pulses at higher prices
- Favourable weather situation for pulses
- Comparatively lower quotes in international markets

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:

Urad markets witnessed volatile movements of prices this week. The demand continues to remain subdued at retail end whereas harvesting season is also adding some pressure. Harvesting of small crop of Kali Urad in Assam is near completion, whereas harvesting in Orissa is gearing. Andhra Pradesh, one of the major producers of Urad, is also lining up and its bumper crop is likely to hit the market by mid December. So, easier sentiments are in the offing in Urad as the harvest progresses. Demand continues to remain subdued, as the scenario in urad dal market is not encouraging for the miller. We are of the opinion that prices should remain on the softer side.

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

Date	Burma FAQ 2006 (Delhi)	Local Grade-UP/Bihar (Delhi)	Burma spot FAQ 2006 (Mumbai)
20.11.06	3350	3200	3550-3575
21.11.06	3350	3200	3775
22.11.06	3300-3325	3100-3150	3575
23.11.06	3250	3000-3100	3575
24.11.06	3250-3300	3100-3150	3475
25.11.06	3325-3350	3175-3200	NA

Urad Prices in secondary markets

QUALITY	25.11.06	18.11.06
Akola	3600	3625-3650
Indore	3200-3500	3200-3500

Gulbarga	3500	3550
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International Price Offer For Urad, FAQ, SQ New: \$/MT CNF (Mumbai/ Chennai) 90 Days

Date	F A Q	S Q
18.11.06	755-765	850-860
25.11.2006	755-765	850-860

TUR:

Tur price inched further higher this week in most trading centres supported by healthy demand. Demand is higher for Tur among the major pulses due to comparatively attractive prices. Further, some mixing of cheaper Tur Dal with Chana Dal has induced the demand for Tur. The prices might see some cooling off in the coming time with the progress of harvest. Harvesting is in progress in Haryana. Some patches of Karnataka, one of the major producers, are also witnessing sporadic harvest. As the production is expected to fall this year, stockists are active right from the beginning of harvest which might support prices at higher levels until harvest gets momentum.

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

Date	Burma Spot Delhi	Maharashtra Line (Delhi)	Burma Spot Mumbai
20.11.06	1850	1850-1900	1671
21.11.06	1825	1900	1681
22.11.06	1850	1900	1681
23.11.06	1850	1950	1681
24.11.06	1850	1950	1700
25.11.06	1850	1900-1950	1700

Tur Prices in secondary markets

QUALITY AND CENTRE NAME	25.11.06	18.11.06
Gulbarga - Red Tur	2000	1900
Latur Red tur (Mh Line)	1925	1950
Latur White tur (Mh Line)	1850	1850
Jalna Red	1650-1700	1700-1750
Jalna White	1775	1700
Jalna BDM	1750-1775	1800
Akola Red Marathwada Line (motor cut)	1950	1900
Akola Red Vidharbha Line (motor cut)	1940	1910

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

DATE	Tanzania Arusha	Burmese (Lemon Tur, Weeviled 15%)
18.11.06	340	325-330
25.11.2006	340	325-330

MOONG:

Moong markets continue to observe steady to slightly firm sentiments during the week supported by firmness in other pulses. As the harvesting is over in major growing regions arrivals in the terminal markets are falling day by day. However, there is not much scope for the prices on the higher side as price elasticity of demand for the commodity has become quite high.

Latest prices in Delhi (Rs/qt.)

Date	Kekdi/ Kishangarh (Delhi)	Medta(Delhi)
18.11.06	3450	3450
25.11.2006	3325	3450

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

Date	Burmese Pokako	Burmese Annashewa	Burmese Pedishewa
18.11.06	655-760	650-750	NA
25.11.2006	655-760	650-750	NA

CHICKPEAS:

Chana markets witnessed slight firmness in the prices this week. Gradually depleting stocks of Chana at major trading centres pressured the prices. However, lack luster demand for the commodity and slightly lower quotes by Australia for its chickpeas capped the gains. The arrivals in Delhi markets were seen in the range of 10-20 motors this week. Australia has lowered its quotes for chickpeas to \$560

against more than \$600 earlier. However, importers are still hesitant in making fresh import deals as bumper harvest is expected this season. Further, there is not much scope on the upside especially due to price sensitive demand. So, the situation continues to remain ambiguous in the Chana markets and thus prices are likely to dance in a range.

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

Date	Rajasthan (Delhi)	Indore (Kantewala)
20.11.06	2835-2840	2725-2730
21.11.06	2890	2750
22.11.06	2975	2825
23.11.06	3000	2850-2860
24.11.06	3000	2850
25.11.06	3000	2850

Prices in Mandies of Maharashtra/ UP/ Karnataka

Centres	25.11.06	18.11.06
Gulbarga New	2700	2600
Latur (Gauran)	2600	2650
Latur (Annagiri)	2800	2900
Latur(G-12)	2700	2800
Jalna (Gauran)	2700	2650
Jalna (Pila)	2800	2700
Akola (Mixed) motor cut	2800	2800
Akola new (Chapa) motor cut	2750	2800
Kanpur (mandi rates)	2950-3000	2975

MASOOR:

Masoor markets got support from good export demand especially for medium grade masoor. As the Australian lentil production dipped sharply this year, prices in the international markets are quite high. According to reports 2006 Australian production (mostly red lentils) is expected to drop sharply, from 210,000 tonnes in 2005 to only 66,000 tonnes this year. Accordingly, exports are seen falling from 200,000 tonnes in 2005-06 to only 55,000 tonnes this year. The prices improved in almost all major trading centres. However, the commodity is not likely to get much support from the demand side, which has inclined towards other cheaper alternatives like peas.

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

Date	MP/Kota Line (Delhi)	UP/Sikari (Delhi)
20.11.06	2000	2700
21.11.06	2000	2700
22.11.06	2000	2700
23.11.06	2000	2700

24.11.06	1975-2000	2650-2700
25.11.06	2025	2710

Prices at Secondary Centres (Rs/qt)

Date	Indore Masra	Indore Masoor	Indore Medium	Kanpur	Bareilly
20.11.06	1835-1840	1835-1830	1775-1800	1975-1980	20040-2050
21.11.06	1835-1840	1825-1830	1775-1800	1980	2030
22.11.06	1840	1830	1775	1980	2040
23.11.06	1850	1840	1800	1980	2050
24.11.06	1860	1850	1845	2000	2050
25.11.06	1860	1850	1875	2035	2100

FIELD PEAS:

Field peas prices improved slightly this week on account of good demand and higher quotes by exporters. As the Australian field pea production this year has gone down to 206000 MT as compared to previous year's crop of 478000 MT, global prices of field peas are surging, thanks to good demand from southern Asia. Despite higher prices of Canadian and Australian peas, India continues to import green and white peas as the prices of other pulses are skyrocketing.

Peas Price Movement (Rs/qt)

Offers	Kanpur New	Mumbai Peas
18.11.06	1480	1241
25.11.2006	1500	1350-1360

NEWS

Lucrative prices of pulses this year and contracting margins for farmers in mustard has resulted in a sharp rise in pulses acreage this year. The pulses acreage increased by 19% to 56.793 lakh hectare in Rabi 2006-07 till November 9, as compared to 47.589 lakh hectare in the year ago period. Gram acreage rose to 38.338 lakh hectare compared to

32.160 lakh hectare during the period under the review. The area coverage under urad inched up to 1.050-lakh hectare from 0.731-lakh hectare. During the aforesaid period, moong acreage increased marginally to 0.181-lakh hectare from 0.116-lakh hectare, while that of lentil rose to 7.549-lakh hectare from 6.390-lakh hectare.

Future Markets

(NCDEX)

Chana

Bulls came into play in Chana futures market this week highlighting the depleting stock situation in the commodity, however gains were capped, as Australian Chickpeas are about to hit the Indian ports. The prices surged on heavy speculative buying during the week supported by tight supply situation in the spot markets. Chana for December delivery at NCDEX surged from Rs. 2824 to 2940 during the week, however some softening in the prices was seen towards the end. The healthy volume did not support the rally, as traders remained hesitant at higher levels. Open interest also dipped from 54860 MT last week to 47960 MT late this week.

PRICE DRIVERS:

Healthy germination of Chana is reported in major growing regions

Increased acreage of Chana this Rabi season

Dwindling demand at higher prices

Depleting stocks in domestic markets

Australian Chickpeas to enter the market by this month end

OUTLOOK:

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

Medium Term (One Month): Steady to slightly bullish in off-season, imports might reverse the situation

Long Term (Three Months): Weak in harvesting season

Chana (NCDEX November Contract)

Support-1	2797	Support-2	2762
Resistance-1	2959	Resistance-2	3006
Strategy	Sell on rallies		

Futures Market (NCDEX)

Urad

Urad futures witnessed roller coaster movements of prices this week. The prices bounced higher during the first half of the week in conjunction with the other pulses, however poor demand in the physical markets and easing sentiments due to ongoing harvest pressured the prices in the later half. December delivery Urad Desi on the NCDEX started the week on a firmer note and prices surged to the highs of Rs 3562, however heavy profit booking at higher levels pulled the prices down to the lows of Rs 3438 late this week. The activity levels in the Urad futures remained on the higher side initially which then tamed down towards the end of the period.

PRICE DRIVERS:

Harvesting in Assam and Orissa.

Bumper crop of AP waiting for harvest

Weather is favorable for the maturing Urad crop and its harvest

High prices in the international markets

OUTLOOK:

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

Medium Term (One Month): Moderately bearish on harvest of Andhra Crop

Long Term (Three Months): Steady to slightly bearish on Rabi harvest

Urad (NCDEX November Contract)

Support-1	3319	Support-2	3262
Resistance-1	3542	Resistance-2	3610
Strategy	Sell on rallies towards resistance		

Latest Vessel Position

Sea Amity has arrived at Kolkata port to discharge 26871 MT of pulses and wheat. Farah 3 has also arrived at the port to discharge 10000MT of pulses and wheat. 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.

Tur

Tur futures at NCCDEX surged higher supported by the firmness in other pulses and rekindling demand in the physical markets. Lucrative prices as compared to substitutes induced some demand in the spot markets. Some rumors of damage to the crop by rains in Maharashtra also added fuel to the fire. NCDEX December futures contract of Tur extended its prior week's gains and traded as high as Rs 1963 by mid of this week against Rs 1801 last week. However, the prices cooled off towards the end as sporadic harvest in Karnataka eased the sentiments. The rally was well supported by good volume during the period; the open interest also kept rising from 7060 MT to 7370 MT late this week.

PRICE DRIVERS:

Harvesting in Haryana, AP and Karnataka lining up

Favorable weather for maturing crop and its harvest

Price sensitive demand in the physical markets

Slowed import due to lower margins

OUTLOOK:

Short Term (One Week): Steady to slightly bullish as harvesting has still to get momentum

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

Long Term (Three Months): Slightly firm as harvesting pressure will ease

Tur (NCDEX November Contract)












Support-1	1882	Support-2	1860
Resistance-1	1981	Resistance-2	2008
Strategy	Remain long with caution		

·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.

·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' has also arrived and discharging 17,565 MT of peas. Hari & Co is handling this vessel.

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.70
European Union	Euro	58.52
Japan	100 Yen	38.58
United Kingdom	GBP	86.34

Forex rate as on 25.11.06

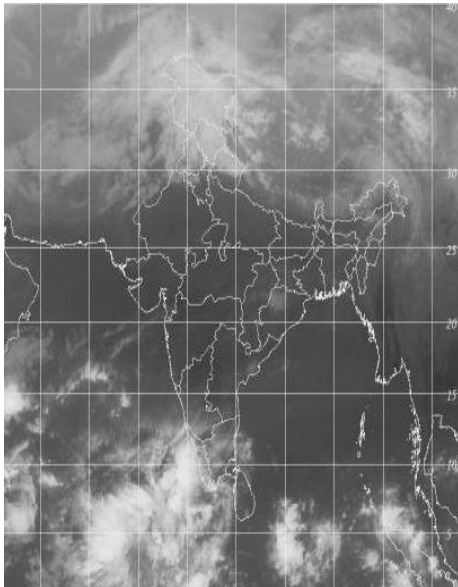
Crop -Weather Impact					
Commod ity	States	Crop Stage	Weather Forecast		Impact
Urad (Kharif + Rabi)	Andhra	Harvesting to start	Isolated Rains		No major effect
	Madhya Pradesh	Completed	Mainly Dry		Good
	Uttar Pradesh	Harvesting Completed	Mainly Dry		No Impact
	Maharashtra	Harvest Completed	Mainly Dry		No Impact
	Rajasthan	Harvesting Completed	Mainly Dry		No impact
Tur (Kharif)	Maharashtra	Pod setting	Isolate d rains		No major impact
	Karnataka	Maturing	Isolated Rains		No major impact
	MP	Pod setting	Mainly Dry		Good
Mung (Kharif + Rabi)	Rajasthan	Harvesting Completed	Mainly Dry		No Impact
	Maharashtra	Harvesting Completed	Isolated Rains		No impact
	Karnataka	Harvesting Completed	Isolated Rains		No impact

*Valid till 25th Nov, 2006

Source-IMD

Weather Map

2006-11-25



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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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