

PULSES

Nov27-Dec03, 2006

Highlights

Spot Markets

- Low demand of pulses due to Cheaper vegetables
- 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 easing sentiments this week in conformity with its recent downtrend. Apart from the ongoing harvesting season and forthcoming bumper crop of Andhra Pradesh, lower quotes by Burma for its Urad played a major role in pulling the prices down in the domestic markets. Further, the news of parliament passing Essential Commodities (Amendment) Act 2006 also added some bearish sentiments in the market. Subdued Indian demand for Burmese Urad at higher prices might have forced the Burmese exporters to quote lower at \$700 a ton against \$755 a ton recently. As new crop of Burma is likely to come by late February, the exporters are under pressure to sell their stocks prior to the harvesting season, especially when Andhra's good crop is due for harvest by mid of this month. Thus urad dal market is not encouraging for the miller with already healthy stocks.

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

Date	Burma FAQ 2006 (Delhi)	Local Grade-UP/Bihar (Delhi)	Burma spot FAQ 2006 (Mumbai)
27.11.06	3300-3325	3150-3200	3400
28.11.06	3300-325	3150-3200	3400
29.11.06	3300	3200	3375
30.11.06	3300	3200	3325
01.12.06	3300	3200	3325
02.12.06	3300	3200	3325

Urad Prices in secondary markets

QUALITY	02.12.06	25.11.06
Akola	3300-3400	3600
Indore	3450	3500
Gulbarga	3400	3500

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

Date	F A Q	S Q
25.11.2006	755-765	850-860
02.11.2006	675	820

TUR:

Tur price remained steady to slightly weak during the week starting from November 25. Tur prices hold the levels against other major pulses in which prices saw southward movements as harvesting in major producing states has still to get momentum. Weather concerns in Parbhani (MH), where late varieties of Tur are in flowering stage, also supported the prices to some extent. 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/qrtl.):

Date	Burma Spot Delhi	Maharashtra Line (Delhi)	Burma Spot Mumbai
27.11.06	1850	1900-1925	NA
28.11.06	1825-1850	1900	NA
29.11.06	1850	1900	NA
30.11.06	1850	1900	NA

01.12.06	NA	1900	NA
02.12.06	NA	1900	NA

Tur Prices in secondary markets

QUALITY AND CENTRE NAME	02.12.06	25.11.06
Gulbarga - Red Tur	2000	2000
Latur Red tur (Mh Line)	1890-1950	1925
Latur White tur (Mh Line)	1850	1850
Jalna Red	1700	1650-1700
Jalna White	1700-1750	1775
Jalna BDM	1800	1750-1775
Akola Red Marathwada Line (motor cut)	1840	1950
Akola Red Vidharbha Line (motor cut)	1840	1940

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

DATE	Tanzania Arusha	Burmese (Lemon Tur, Weeviled 15%)
25.11.2006	340	325-330
02.11.2006	355-370	320

MOONG:

Moong markets observed steady to slightly weak sentiments during the week supported by firmness in other pulses. 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. Availability of cheaper vegetables in winter season is also weakening its demand at higher price. Further, international prices for Moong also witnessed some fall, which also contributed to the slight ease in domestic prices. There is not much scope for the prices on higher side at the stage.

Latest prices in Delhi (Rs/qt.)

Date	Kekdi/ Kishangarh (Delhi)	Medta(Delhi)
25.11.2006	3325	3450
02.11.2006	3200-300	3300

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

Date	Burmese Pokako	Burmese Annashewa	Burmese Pedishewa
25.11.2006	655-760	650-750	NA
02.11.2006	630-640	615	680

CHICKPEAS:

Chana prices came down this week despite depleting stocks of Chana at major trading centres on the talks of lower quotes by Australia and poor demand. Chana prices in Delhi dipped to Rs 2825 per quintal as compared to Rs 3000 a ton last week. According to some unconfirmed sources Australia has lowered its quotes for chickpeas to \$535 a ton against \$560 per ton some time back. Australia has exportable surplus of about 225000 ton chickpeas this year. Thus, looking at the poor Indian demand at higher prices and forthcoming big crop of the country (India), Australia is under pressure to lower its quotes for selling its surplus chickpeas. As domestic stock position is poor, fate of Chana will depend upon the quantum and cost of imports.

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

Date	Rajasthan (Delhi)	Indore (Kantewala)
27.11.06	2975	2850
28.11.06	2950	2850
29.11.06	2900	2850
30.11.06	2850	2820
01.12.06	2825	2750
02.12.06	2900	2780

Prices in Mandies of Maharashtra/ UP/ Karnataka

Centres	02.12.06	25.11.06
Gulbarga New	2800	2700
Latur (Gauran)	2550	2600
Latur (Annagiri)	2800	2800
Latur(G-12)	2700	2700
Jalna (Gauran)	2700	2700
Jalna (Pila)	2800	2800
Akola (Mixed) motor cut	2675	2800
Akola new (Chapa) motor cut	2700	2750
Kanpur (mandi rates)	2900	2950-3000

MASOOR:

Masoor markets got support from the government decision to export more masoor apart from recently approved 2000MT masoor export to Sri Lanka. Export demand from Bangladesh, especially for medium grade masoor, is good which helped support the masoor prices despite weakness in Chana and Urad. Apart from this, higher prices in international markets as result of lower production in Australia, are also keeping the sentiments in masoor on firmer side.

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

Date	MP/Kota Line (Delhi)	UP/Sikari (Delhi)
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27.11.06	2025	2710
28.11.06	1975	2700-2720
29.11.06	1975	2700-2720
30.11.06	1950	2650
01.12.06	1950	2650
02.12.06	1950	2600-2650

Prices at Secondary Centres (Rs/qt)

FIELD PEAS:

Field peas prices remained slightly weak this week. The prices improved recently on account of good demand and higher quotes by exporters. However, cheaper vegetable and slightly lower quotes by exporters pulled the prices down this week. 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(WC)
25.11.2006	1500	1281
02.12.2006	1485-1490	1231

NEWS

Import Prices of Burmese Urad Easing

Burmese Urad prices eased a bit after hovering at higher levels for long. Ongoing sporadic harvest in Orissa and upcoming crop of Andhra Pradesh might have forced the Burmese Urad prices down. Further fresh crop of Burmese Urad is also likely to come by late February, which might be inducing Burmese exporters to sell their stock before it hits the market. As demand of Urad in India is not encouraging at higher prices, exporters seem lowered their quotes to rekindle the demand. Burmese FAQ grade Urad is coming India at about \$700 per ton against quotes of \$755-765 per ton one week earlier. Similarly, SQ grade Burmese Urad prices have come down to \$820 per ton from \$850 a week earlier. This might cause some more cooling off in the prices for Desi Urad, especially looking at the forthcoming

healthy crop of Andhra Pradesh. Harvesting in Andhra Pradesh is expected to start in mid December.

Future Markets

(NCDEX)

Chana

Bears dominated the trade in Chana futures this week. Most active January contract at witnessed sharp fall in the prices for the first four days of the week, however, some recovery on Friday was seen on the back of speculative buying at lower levels. The MCX January contract traded in the range of Rs 2780-2938 with volume and open interest both declining. On the NCDEX January contract traded in the range of Rs 2733-2921 with healthy volumes.

PRICE DRIVERS:

High stocks of Chickpeas with Australia

Depleting stocks in domestic markets

International prices of Chickpeas easing

Increased acreage of Chana this Rabi season

Poor demand at higher prices

OUTLOOK:

Short Term (One Week): Volatile on price sensitive demand

Medium Term (One Month): Steady to slightly weak depending upon import situation

Long Term (Three Months): Short Term (One Week): Volatile on price sensitive demand

Medium Term (One Month): Steady to slightly weak depending upon import situation

Long Term (Three Months): Weak in harvesting season

Chana (NCDEX January Contract)

Support-1	2660	Support-2	2631
Resistance-1	2790	Resistance-2	2825
Strategy	Sell on rallies		

Futures Market (NCDEX)

Urad

Urad futures witnessed a sharp fall in prices this week. The most active January contract witnessed bearish sentiments throughout the week. The January contract at NCDEX slipped from the highs of Rs 3435 on Monday to the lows of Rs 3145 on Thursday. The volume traded and open interest both increased during the period. On the MCX December contract traded in the range of Rs 3540-3376 per quintal.

PRICE DRIVERS:

Lower quotes by Burma for its Urad

Harvesting is in progress in Orissa.

Bumper crop of AP waiting for harvest

Weather is favorable for the maturing Urad crop and its harvest

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 firm in off-season

Urad (NCDEX January Contract)

Support-1	3041	Support-2	2997
Resistance-1	3276	Resistance-2	3336
Strategy	Sell on rallies towards resistance		

Tur

Tur futures also witnessed bearish sentiments this week in conjunction with the other pulses. Bears dominated the trade during most part of the week. Most active January contract at witnessed falling prices from Monday to Thursday, however, speculative buying at lower levels on Friday helped mild recovery in the prices. NCDEX January contract traded in the range of Rs 1904-1995 with average volumes. Open interest increased from 15680 the last week to 16790 MT Friday.

PRICE DRIVERS:

Harvesting is in progress in Karnataka

Crop expected to be short this year

Favorable weather for maturing crop and its harvest

Higher prices in international markets

OUTLOOK:

Short Term (One Week): Steady to slightly weak as harvesting is in progress

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 January Contract)

Support-1	1861	Support-2	1841
Resistance-1	1966	Resistance-2	1988
Strategy	Sell on rallies		

Latest Vessel Position

Navios Astra has arrived at Mumbai port to discharge 51800MT peas. Lake Maja has also arrived at Mumbai port to offload 22415MT of peas. Vessel IVS Kwela is expected at Mumbai port to offload 30775 MT peas.

·Vessel 'Bianco Zealand' has also arrived and discharging 17,565 MT of peas. Hari & Co is handling this vessel. New Guardian has also arrived at the port to offload 10920 MT peas.

Forex rate as on 02.12.06

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.87
European Union	Euro	58.15
Japan	100 Yen	38.57
United Kingdom	GBP	85.99

Crop -Weather Impact

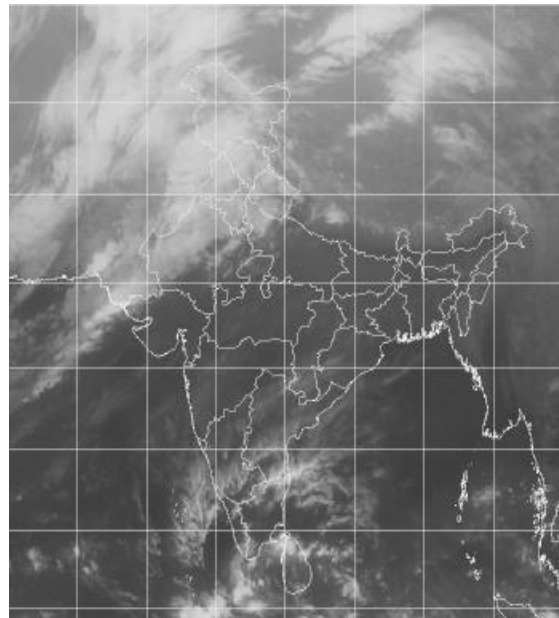
Commodity	States	Crop Stage	Weather Forecast	Impact
Urad (Kharif + Rabi)	Andhra	Harvesting to start	Isolated rains	No major effect
	Orissa	Harvesting	Mainly Dry	Good
Tur (Kharif)	Maharashtra	Maturing	Isolated rains	Not Congenial
	Karnataka	Harvesting	Isolated rains	No major impact
	Haryana	Harvesting	Isolated rains	Not Congenial
	MP	Maturing	Mainly Dry	Good
Chana (Kharif + Rabi)	Rajasthan	Sowing	Isolated rains	Good
	MP	Sowing	Mainly Dry	Good
	Punjab	Sowing	Isolated rains	Good

*Valid till 8th Dec, 2006

Source-IMD

Weather Map

2006-12-02



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

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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