

PULSES

Dec 04-09, 2006

Highlights

Spot Markets

- Tur production likely to fall this year
- Chana acreage increased this year
- Urad imports still costly

Highlights

Futures Market

- NCDEX changed contract specifications for Chana futures expiring in May 2007 and thereafter. In these contracts Rajasthan and MP desi are deliverable in Delhi, Rajasthan is deliverable in Bikaner and MP Kantawalla is deliverable in Indore. Moreover, maximum content of foreign matter allowed has been increased to 2% from 1% in previous contracts; also a varietal admixture has been raised to 3% from 1% earlier.

Fundamentals

URAD:

Urad markets witnessed steady to slightly weak prices during the week starting 24th December. Ongoing harvest of Chhoti Urad in Eastern zone of the country is fulfilling the subdued looking demand these days. In January Andhra crop will start leaving the fields. Stockists this season did not make aggressive purchase even at the time of peak harvest due to its higher prices and imposition of stock limit in some states like Maharashtra. Millers demand is likely to pick up in coming time ahead of the forthcoming Pongal and Sankranti festivals and only then the prices might find support.

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

Date	Burma FAQ 2006 (Delhi)	Local Grade-UP/Bihar (Delhi)	Burma spot FAQ 2006 (Mumbai)
04.12.06	3250-3300	3100	3250
05.12.06	3275	3100	3300
06.12.06	3300	3100	
07.12.06	3250	3100	
08.12.06	3250	3075	
09.12.06	3200	3100	

Urad Prices in secondary markets

QUALITY	09.12.06	02.12.06
Akola	3300	3300-3400
Indore	3400	3450
Gulbarga	3450	3400

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

Date	F A Q	S Q
02.11.2006	675	820
09.12.2006	670-700	800

TUR:

Tur price remained steady to slightly firm during this week. Harvesting in major producing states hasn't gained momentum yet. Arrivals in Andhra Pradesh are gearing up steadily, whereas in MP and Maharashtra the crop is in the fields. As the production is expected to fall this year, stockists are active right from the beginning of harvest. If the industrial buyers join the bandwagon, some short-term bounce in the prices can be seen only to ease further with the progress of harvest. However, as the government has extended the duty free imports of pulses to 31st August, the off-season premiums might not be as hefty as it was seen earlier, thanks to the poor crop this year.

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

Date	Burma Spot Delhi	Maharashtra Line (Delhi)	Burma Spot Mumbai
04.12.06	1850	1900	1621
05.12.06	1775	1900	1621
06.12.06	1700	1900	1621
07.12.06	1775	1875-1900	1631
08.12.06	1780	1900	1621
09.12.06	1740	1900	1621

Tur Prices in secondary markets

QUALITY AND CENTRE NAME	09.12.06	02.12.06
Gulbarga - Red Tur	2000	2000
Latur Red tur (Mh Line)	2000	1890-1950
Latur White tur (Mh Line)	1850	1850
Jalna Red	1650	1700
Jalna White	1700	1700-1750
Jalna BDM	1765	1800
Akola Red Marathwada Line (motor cut)	1860	1840
Akola Red Vidharbha Line (motor cut)	1885-1890	1840

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

DATE	Tanzania Arusha	Burmese (Lemon Tur, Weeviled 15%)
02.11.2006	355-370	320
09.12.06	380	380

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)
02.11.2006	3200-300	3300
09.12.2006	3250	3350

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

Date	Burmese Pokako	Burmese Annashewa	Burmese Pedishewa
02.11.2006	630-640	615	680
09.12.2006	670-675	600-610	Finished

CHICKPEAS:

Chana prices remained stale on poor trading in the commodity during the week. Crop is healthy in major growing regions. Harvesting of 'Annagiri' variety will start in January in Karnataka to be followed by Maharashtra Chana in February. Australian quotes are not coming down and thus importers are not finding imports a profitable deal. Stockists waiting for higher prices would now be under

pressure to offload their stock prior the harvesting season, as they are not seeing any sort of high pressure of demand in the market. Any increase in arrivals would only ease the prices.

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

Date	Rajasthan (Delhi)	Indore (Kantewala)
04.12.06	2850	2750
05.12.06	2850-2860	2750
06.12.06	2900	2750
07.12.06	2900	2775
08.12.06	2885	2775
09.12.06	2875	2760

Prices in Mandies of Maharashtra/ UP/ Karnataka

Centres	09.12.06	02.12.06
Gulbarga New	2700	2800
Latur (Gauran)	2500	2550
Latur (Annagiri)	2750	2800
Latur(G-12)	2625	2700
Jalna (Gauran)	2650	2700
Jalna (Pila)	2800	2800
Akola (Mixed) motor cut	2650	2675
Akola new (Chapa) motor cut	2675	2700
Kanpur (mandi rates)	2890	2900

MASOOR:

Masoor markets witnessed steady prices during the period in the absence of any fresh developments. The government of India is planning to permit export of Masoor against advance licenses and the proposal has been put against the Cabinet Committee on Pricing. Traders are keenly eyeing the decision of CCP on the matter. If the exports were permitted the prices would go up. However, according some traders, there won't be much impact of the same as illegal exports are already taking place to Bangladesh.

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

Date	MP/Kota Line (Delhi)	UP/Sikari (Delhi)
04.12.06	1950-1975	2650
05.12.06	1950-1975	2600-2650
06.12.06	1950	2600-2650
07.12.06	1950	2650
08.12.06	1950	2650
09.12.06	1950	2650

Prices at Secondary Centres (Rs/qt)

FIELD PEAS:

Field peas prices remained range bound this week. The prices improved recently on account of good demand and higher quotes by exporters. As the duty free imports of pulses are now allowed for the extended period, which would help replenish demand this year as acreage has gone down in peas. Global prices of field peas are still hovering on the higher side amidst good demand and poor Australian field peas production. As prices of other pulses are quite high this year, demand for peas as a substitute for the price sensitive consumer is good. The prices are not ease until the exporters lowers their quotes as domestic crop is still far away.

Peas Price Movement (Rs/qt)

Offers	Kanpur New	Mumbai Peas(WC)
02.12.2006	1485-1490	1231
09.12.2006	1475	1271

NEWS

NCDEX to relaunch yellow pea futures contract.

The contract will be available for trade from December 11 for January, February and March deliveries. The futures trading in yellow pea was earlier stopped on quality issues. In the new contract, domestic as well as Canadian yellow pea will be eligible for deliveries; earlier domestic yellow pea was not permitted for delivery. Three delivery centers are available namely Mumbai, Kanpur and Kolkata without any locational premium and discounts. Contract size will be 10MT with Rs 1tick size. Quotes will be in Rs per quintal.

Chana

Bears continue to dominate the trade in Chana futures this week. Most active January contract washed away all the initial gains towards the end of the week, however the vigor

is absent from the market at the stage. The MCX January contract traded in the range of Rs 2707-2785 with volume and open interest both declining. On the NCDEX January contract traded in the range of Rs 2731-2807 with sporadic good volumes.

PRICE DRIVERS:

Stockists under pressure to offload their stocks

Import prices are still unattractive

Increased acreage of Chana this Rabi season

High stocks of Chickpeas with Australia

OUTLOOK:

Short Term (One Week): Volatile depending upon stockists action

Medium Term (One Month): Steady to slightly weak ahead of harvesting in AP

Long Term (Three Months): Weak in harvesting season

Chana (NCDEX January Contract)

Support-1	2645	Support-2	2600
Resistance-1	2835	Resistance-2	2861
Strategy	Sell on rallies		

Futures Market (NCDEX)

Urad

Urad futures opened the week on a bearish note and then recovered to close the week with good gains. The most active January contract witnessed sharp fall on Monday and then the contract saw a smart rally during rest of the week. The January contract at NCDEX dipped to the lows of Rs 2918 on Tuesday continuing its bearish mood of previous week. The contract then recouped all the initial losses and saw the highs of Rs 3203 late this week. The recovery was back by good volumes. On the MCX December contract traded in the range of Rs 3215-3359 per quintal.

Tur

Tur futures saw churning action this week. January contract. The most active January contract witnessed sharp fall on Monday and then the contract saw a smart rally during rest of the week. The January contract at NCDEX dipped to the lows of Rs 1862 on Tuesday continuing its bearish mood of previous week. The contract then recouped almost all the initial losses and saw the highs of Rs 1931 late this week. The volumes traded were on the lower side, open interest also dipped during the period.

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

PRICE DRIVERS:

Burma increase its quotes for Urad

Harvesting of Chhoti Urad is in progress in Orissa.

Moti grade Urad in tight supply

Demand to revive ahead of Pongal

OUTLOOK:

Short Term (One Week): Slightly bullish, but tentative at higher levels on price sensitive demand

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	3092	Support-2	3040
Resistance-1	33313	Resistance-2	3366
Strategy	Sell on rallies towards resistance		

PRICE DRIVERS:

Harvesting is in progress in Karnataka

Crop expected to be short this year

Stockists are active right from the beginning

Higher prices in international markets

OUTLOOK:

Short Term (One Week): Steady to slightly firm on stockists action

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	1886	Support-2	1865
Resistance-1	1961	Resistance-2	1988
Strategy	Buy on major dips		

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 09.12.06

Crop -Weather Impact

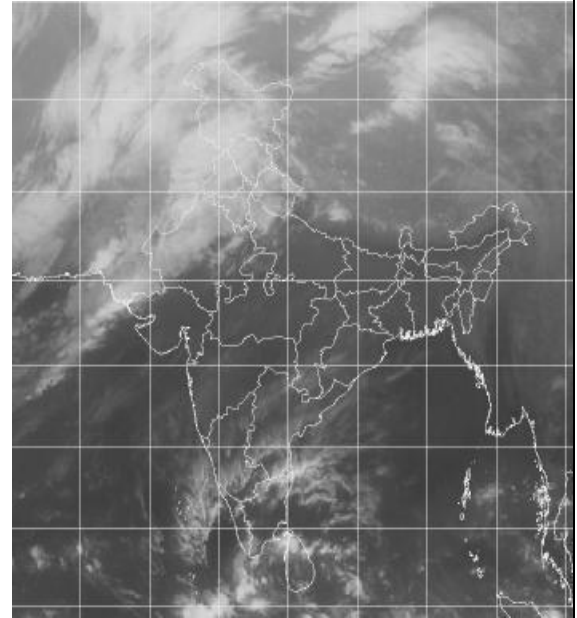
Commodity	States	Crop Stage	Weather Forecast	Impact
Urad (Kharif + Rabi)	Andhra	Harvesting to start	Isolated rains	No major effect
	Orissa	Harvesting	Mainly Dry	Good
Tur (Kharif)	Maharashtra	Maturing	Isolated rains	Not Congenial
	Karnataka	Harvesting	Isolated rains	No major impact
	Haryana	Harvesting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

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)

Monthly Total Exports of Burma (qty. in tonnes)

Months	2003	2004	2005
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