

PULSES

Dec 30-Jan 06, 2006

Highlights

Spot Markets

- Tur harvesting in progress, production likely to fall this year
- Chana acreage estimated 76.5 lakh hectares against 72 lakh hectares last year on 28 Dec
- Harvesting of Urad in Orissa started, Some arrivals seen in AP as well

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 witnessed steady to slightly weak sentiments during the week starting January 01. Slight improvement in demand ahead of Festivals supported the prices to some extent. Harvesting of Urad is in progress in Orissa and arrivals of 1000 bags were seen late this week. Crop is expected to cross 40000MT in the state by trade sources. Looking at the softening prices MMTC also seem waiting to take final decision on imports of Urad. NAFED also has to finalize its import decision for 5000 MT of pulses for delivery in March-April. Harvesting of Myanmar Urad is expected to start in February and crop is expected well this year. The prices are expected to ease during harvesting in AP next month, until then some range bound movements is likely.

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

Date	Burma FAQ 2006 (Delhi)	Local Grade-UP/Bihar (Delhi)	Burma spot FAQ 2006 (Mumbai)
01.01.07	3200	3100	3100
02.01.07	3150-3200	3050-3100	3100
03.01.07	3150	3100	3050-3100
04.01.07	3150	3100	3100
05.01.07	3150	3050-3100	3075-3100
06.01.07	3200	3000	3100

Urad Prices in secondary markets

QUALITY	30.12.06	06.01.07
Akola	3000	3150
Indore	3100	3200
Gulbarga	3200	3150

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

Date	F A Q	S Q
30.12.2006	700-710	825
06.01.2007	650-655	735

TUR:

Tur prices remained steady to slightly firm at most of the trading centers on the back of healthy demand for fresh Tur. Good arrivals were seen in Karnataka, but healthy demand from stockists and millers supported the prices. Tur crop is expected to be short this year in Karnataka. Harvesting in MP and MH is gathering momentum gradually. NAFED was reported to be purchasing Tur late this week in order to build stocks for the off-season, as production estimates are on lower side for Tur this year. Imports are still proving costly and there were no fresh deal seen in Tur imports, also NAFED and MMTC hasn't finalized their Tur import tenders. Tanzanian FAQ Tur is being quoted at \$400-410 per ton. However, the prices should ease slightly in the coming time with the increase in harvesting pace in MP and MH.

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

Date	Burma Spot Delhi	Maharashtra Line (Delhi)	Burma Spot Mumbai
01.01.07	1700	1850	1700
02.01.07	1700	1850	1700
03.01.07	1700	1850	1700
04.01.07	1700	1900	1700
05.01.07	1700-1725	1875-1925	1700-1725
06.01.07	1700-1725	1925	1700-1725

Tur Prices in secondary markets

QUALITY AND CENTRE NAME	30.12.06	06.01.07
Gulbarga - Red Tur	1950	2025-2030
Latur Red tur (Mh Line)	2000	2050
Latur White tur (Mh Line)	1950	1950-2000
Jalna Red	1750	1900
Jalna White	1850-1875	1900
Jalna BDM	1900	2000
Akola Red Marathwada Line (motor cut)	NA	NA
Akola Red Vidharbha Line (motor cut)	1880	1975

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

DATE	Tanzania Arusha	Burmese (Lemon Tur, Weeviled 15%)
30.12.2006	380-385	370
06.01.2007	375	410-420

MOONG:

Moong markets witnessed steady to slight firm prices on the back of some improvement in demand ahead of festivals and depleting stocks. Supply side is poor these days and arrivals in major mandis have decreased. Some arrivals were seen in Jalna to ease the supply side a bit. The firmness is not going to last long, as harvesting in other pulses is likely to pour some bearish sentiments in Moong too. Festive demand might provide some short-term support to the prices. Availability of cheaper vegetables in winter season is also weakening its demand at higher price. Further, international prices for Aneshwar moong is hovering around Rs 2,800-3,000 per quintal, however there is no major import deal seen these days. The prices should hold these levels in short run.

Latest prices in Delhi (Rs/qt.)

Date	Kekdi/ Kishangarh (Delhi)	Medta(Delhi)
30.12.2006	3275	3350
06.01.2007	3250	3300

Prices at Secondary Centres (Rs/qt)

Centres	30.12.06	06.01.07
Gulbarga	3200	3200
Latur	3100	3050
Jalna	3100	2900-3100
Akola	3100	3100-3200
Kanpur	3100	3050
Indore	3150	3200

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

Date	Burmese Pokako	Burmese Annashewa	Burmese Pedishewa
30.12.2006	650	615-620	Finished
06.01.2007	660-665	610-625	Finished

CHICKPEAS:

Chana prices are coming down to more justified levels with the approach of harvesting season. Harvesting in MH this year, started about a month earlier than its normal time. This caught many stockists and importers, expecting higher prices during January, on a wrong foot. In the same line, some import consignments have been recently diverted to Pakistan, as current prices in India are not in parity with those costly chickpeas. Some stockists are still holding view of higher prices blaming poor stocks for the same. Against this, stocks seem still good as stockists couldn't get chance to offload their stocks at higher prices due to early onset of harvest. Harvesting of Annagiri is in progress in AP, whereas desi Chana has also started leaving the fields in Maharashtra and Gujarat. Thus, the prices should remain on the softer side in the coming time.

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

Date	Rajasthan (Delhi)	Indore (Kantewala)
01.01.07	2500	2470-75
02.01.07	2450	2400
03.01.07	2350	2375-2400
04.01.07	2350	2275
05.01.07	2350	2300
06.01.07	2425	2300

Prices in Mandies of Maharashtra/ UP/ Karnataka

Centres	30.12.06	06.01.07
Gulbarga New	2350	2200-2225
Latur (Gauran)	2450	2300
Latur (Annagiri)	2500	2250
Latur(G-12)	2500-2550	2450
Jalna (Gauran)	2425-2450	2200-2250
Jalna (Pila)	2550	2300
Akola (Mixed) motor cut	2550	2275
Akola new (Chapa) motor cut	2600	2350
Kanpur (mandi rates)	2500	2450

MASOOR:

Masoor markets witnessed steady prices this week in the absence of any fresh fundamental developments. Harvesting of small crop of masoor is expected by mid February in Lalitpur (MP), however, major crop of UP is

expected only by March. There is election in Bangladesh late this month and after that some demand is expected to revive from the country. Though, the exports of pulses is ban in India, still some of the Indian Masoor find its way through some illegal routes to Bangladesh according to trade sources. Domestic demand in the season of cheaper vegetables is not strong enough to push the prices higher, so the prices are likely to remain range bound during harvesting season of other pulses.

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

Date	MP/Kota Line (Delhi)	UP/Sikari (Delhi)
01.01.07	1925	2500
02.01.07	1925	2500
03.01.07	1925	2450-2500
04.01.07	1925-1950	2450-2500
05.01.07	1925-1950	2450-2500
06.01.07	1925	2450-2500

FIELD PEAS:

Field peas prices in the domestic markets are witnessing steady levels these days. Though, depleting domestic stocks and higher international prices are underpinning the prices, progressing harvest in Chana is pressing it from the other end. According to the trade sources, the prices should ease marginally in short run with the easing prices of Chana in harvesting season. However, as the acreage of the domestic crop is down this year, the off-season seems promising for field peas as production is expected to dip by about 15% this year. Crop is in pod formation stage and will take at least two months time to hit the market.

Peas Price Movement (Rs/qt)

Offers	Kanpur New	Mumbai Peas(WC)
30.12.2006	1500	1350
06.01.2007	1475-1480	1300

NEWS

MMTC Likely to Finalise Import Tender For Pulses

MMTC Ltd. issued a tender to import 15,000 metric tons of duty free pulses recently, deliverable in Mumbai (9000MT),

Chennai (3000MT) and Kolkata (3000MT) in February 2007. The state owned trading house is likely to finalize the same, as it has to import the pulses in February. The company has sought bids for delivery of 9,000 tons of pulses at Mumbai and 3,000 tons each at the ports of Kolkata and Chennai.

Futures Market (NCDEX)

Chana

Chana futures recouped some the initial losses towards the end of the week, however the trend is still bearish. Most active January contract at NCDEX slipped sharply during the first two days of the week continuing its bearish trend. It traded as low as Rs 20275 pressured by continued selling interest in the commodity. Prices edged slightly higher Friday on short covering. Volumes traded and open interest both improved during the period. The MCX January contract traded bearish in the range of Rs 2071-2230.

PRICE DRIVERS:

Harvesting in Gujarat, MH and Karnataka

Harvesting in Desi Chana started one month earlier in MH

Stockists under pressure to offload their stocks

Some imported cargos of pulses to India diverted to Pakistan due lower domestic prices

Production expected to increase this year

OUTLOOK:

Short Term (One Week): Slightly bearish on onset of harvest in some states

Medium Term (One Month): Moderately bearish on harvesting in AP and MH

Long Term (Three Months): Weak in peak harvesting season

Chana (NCDEX January Contract)

Support-1	1980	Support-2	1950
Resistance-1	2300	Resistance-2	2325
Strategy	Sell on rallies		

Urad

Urad futures traded volatile during the week. Futures recouped most of the initial losses towards the end of the week. The most active February contract at NCDEX surged to the highs of Rs 2819 on Monday, but prices couldn't sustain those levels. The contract saw the lows of Rs 2665 during the week before bouncing back to Rs 2775 on Friday. Volumes traded and open interest increased during the period. On the MCX January contract traded bearish in the range of Rs 2912-3102.

PRICE DRIVERS:

Burmese crop is expected well this year

NAFED and MMTC to import Urad during February-April

Harvesting is gathering momentum in Orissa

Traders expect production of AP and Orissa near 3 lakh tonnes

Importers are waiting for lower prices

OUTLOOK:

Short Term (One Week): Steady to slightly firm on festive demand during harvesting season

Medium Term (One Month): Weak on harvesting in Orissa

Long Term (Three Months): Weak on harvesting pressure and Govt imports

Urad (NCDEX February Contract)

Support-1	2700	Support-2	2650
Resistance-1	3000	Resistance-2	3050
Strategy	Sell on rallies towards resistance		

Tur

Tur futures saw sharp recovery during the week on fresh buying support on strong fundamentals. The most active February contract on NCDEX surged to the fresh contract high of Rs 2095 on the last trading day of the week. The prices then showed tentativeness during middle of the week before some decisive recovery towards the end. The rally was well supported by good volumes; open interest also surged higher as fresh positions keep on adding during the week.

PRICE DRIVERS:

Harvesting is in progress in the major Tur producing states

NAFED is reported to be buying in spot market

Crop expected to be short this year

Stockists are expected to buy aggressively at lower levels

Imports are not attractive in harvesting season

OUTLOOK:

Short Term (One Week): Steady to slightly weak on increasing arrivals and good demand

Medium Term (One Month): Slightly firm on stockists activity

Long Term (Three Months): Firm on off-season premiums and poor production

Tur (NCDEX January Contract)

Support-1	2000	Support-2	1980
Resistance-1	2140	Resistance-2	2180
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 has reached at Mumbai port to offload 19082 MT peas. Eid-E-Mostafa-VI is expected to reach Mumbai port to discharge 2000MT of Pulses. Sai Freight Agent will be handling the vessel.

Forex rate as on 06.12.06

*Valid till 12th January, 2006

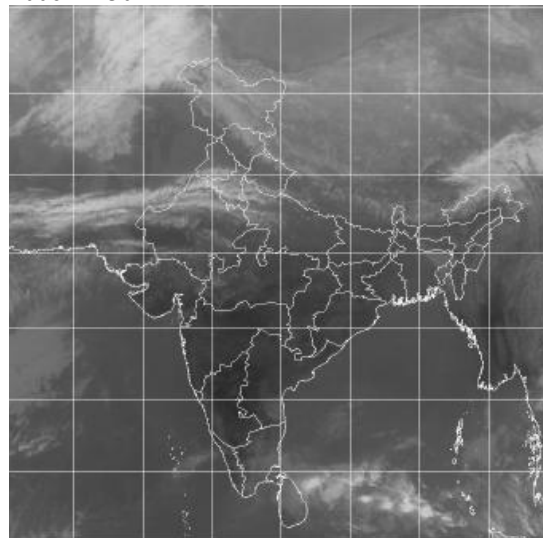
Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.30
European Union	Euro	57.92
Japan	100 Yen	37.42
United Kingdom	GBP	85.83

Crop -Weather Impact

Commodity	States	Crop Stage	Impact	
Urad (Kharif + Rabi)	Andhra	Maturity Stage	Mainly Dry	Good
	Orissa	Harvesting	Mainly Dry	Good
Tur (Kharif)	Maharashtra	Maturity/Harvesting	Mainly Dry	Good
	Karnataka	Harvesting	Mainly Dry	Good
	MP	Maturity/Harvesting	Mainly Dry	Good
Chana (Kharif + Rabi)	Rajasthan	Pod Bearing	Partly Cloudy	Uncongenial
	MP	Pod Bearing	Mainly Dry	Good
	Karnataka	Harvesting	Mainly Dry	Good

Weather Map

2006-12-30



Source-IMD

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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