

PULSES

Jan 15-20, 2006

Highlights

Spot Markets

- NAFED is importing 25,000 tonnes of Urad
- Acreage Increases in Pulses This Season to 13.65 Million Hectares
- Harvesting of Urad in progress in Orissa and AP

Fundamentals

URAD:

Urad witnessed steady to slightly weak sentiments during the week starting January 15. Urad is witnessing subdued activity on both supply and demand side. Though harvesting is in progress in Andhra Pradesh and Orissa, arrivals at the moment are not enough to put pressure on prices. Small grade Urad of Orissa is coming and is expected about 40,000 tonnes, whereas bold grade Urad of Andhra Pradesh, which is coming in Vijaywada and Nallore, is expected 50,000 tonnes. One major crop of bold grade Urad to the tune of 2,50,000 will come in March in AP. Meanwhile, NAFED has imported 25,000 tonnes of Urad for March delivery; otherwise import scene is gloomy with higher quotes by Burmese exporters. Thus the prices are likely to remain slightly on the softer side in the harvesting season. Supply would be healthy enough in March to pressure the prices.

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

Date	Burma FAQ 2006 (Delhi)	Local Grade-UP/Bihar (Delhi)	Burma spot FAQ 2006 (Mumbai)
15.01.07	3150	3150	3200
16.01.07	3150	3150	3200
17.01.07	3150	3150	3200
18.01.07	3150-3200	3200	3150
19.01.07	3225	3200	3150
20.01.07	3200	3200	3200

Urad Prices in secondary markets

QUALITY	13.01.07	20.01.07
Akola	3250	3300
Indore	3250	3250
Gulbarga	3200	NA

Highlights

Futures Market

- NCDEX had levied an additional margin of 5% on long positions of all contracts of Chana and 15% on long position of all urad contracts. In addition to this, there will be additional cash margin of 10% on both long and short positions of Chana contracts. These margins will be effective from the beginning of day on January 19, 2007.

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

Date	F A Q	S Q
13.01.2007	660-670	720-725
20.01.2007	630-640	685-710

TUR:

Tur is looking strongest among the pulses. The prices in major centres remained steady to slightly firm this week on healthy demand from millers and stockists. Major producing centres are witnessing good arrivals of Tur as harvesting is peaking in Karnataka and gathering momentum in Maharashtra and MP. Looking at the healthy crop of Chana this year, stockists are mainly focusing on Tur. As the prices are not easing despite healthy arrivals, the stockists are now buying at higher prices. They are seeing good prospects for Tur in the off-season due to lower expected production. Any price decline during peak arrivals towards the end of this month would be bonus for the stockists. Looking at the higher domestic prices, exporters are also quoting higher. The import scene remained lack luster this week due to higher quotes by exporters. Burmese FAQ Tur were being quoted at \$535 a ton late this week.

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

Date	Burma Spot Delhi	Maharashtra Line (Delhi)	Burma Spot Mumbai
15.01.07	1850	2050	1900
16.01.07	1850	2050	1900
17.01.07	1850	2025	1900
18.01.07	1900	2050	1900
19.01.07	1950	2100	1950
20.01.07	1950-2000	2100	1950

Tur Prices in secondary markets

QUALITY AND CENTRE NAME	13.01.07	20.01.07
Gulbarga - Red Tur	2000	2275
Latur Red tur (Mh Line)	2150	2200
Latur White tur (Mh Line)	2050-2100	2250
Jalna Red	1950-2000	2150-2200
Jalna White	1950	2200
Jalna BDM	2050	2250
Akola Red Marathwada Line (motor cut)	NA	NA
Akola Red Vidharbha Line (motor cut)	2050	2250

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

DATE	Tanzania Arusha	Burmese (Lemon Tur, Weeviled 15%)
13.01.2007	375-400	500
20.01.2007	400-425	470

MOONG:

Moong market is witnessing firmness these days as the stocks are depleting day by day. As it is off-season some firmness in the prices is obvious. However, crops of Gujarat and Maharashtra are lining up for harvest, MP is also likely to see harvest in the coming weeks. Crop is in good shape and production is likely to remain good this year. The prices are likely to remain slightly firm in off-season, but gains would be limited due to harvesting in other pulses and forthcoming harvest of Moong.

Latest prices in Delhi (Rs/qt.)

Date	Kekdi/ Kishangarh (Delhi)	Medta(Delhi)
13.01.2007	3250	3300
20.01.2007	3350	3400

Prices at Secondary Centres (Rs/qt)

Centres	13.01.07	20.01.07
Gulbarga	3200	NA
Latur	3200	3200
Jalna	3150	3300
Akola	3250	3250
Kanpur	3100	3200
Indore	3300	3300

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

Date	Burmese Pokako	Burmese Annashewa	Burmese Pedishewa
13.01.2007	650	620-650	720
20.01.2007	670	610-625	760

CHICKPEAS:

Chana prices are holding the levels, as arrival pressure has not mounted yet. Though, harvesting has started earlier than its normal time, it hasn't gathered momentum so far. Currently harvesting is in progress in Maharashtra, Karnataka, Andhra Pradesh and Gujarat. Traders are expecting it to gather momentum by February first week, when the main producer MP will also be witnessing sporadic arrivals. Due to additional 0.42 million hectares under Chana this year, production is expected around 5.5 million tonnes this year. So, the prices might hold the levels for the time being and will ease gradually with the progress of harvest. Importers are also not taking any risk at the stage. NAFED has decided to import Urad and Moong only and is not importing Chana at the stage.

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

Date	Rajasthan (Delhi)	Indore (Kantewala)
15.01.07	2550	2450
16.01.07	2575	2430
17.01.07	2500-2550	2450
18.01.07	2525-2550	2450
19.01.07	2525	2400
20.01.07	2475-2500	2410

Prices in Mandies of Maharashtra/ UP/ Karnataka

Centres	13.01.07	20.01.07
Gulbarga New	2125	2300
Latur (Gauran)	2300	2250-2300
Latur (Annagiri)	2300	2400
Latur (G-12)	2400	2400
Jalna (Gauran)	2300-2375	2200
Jalna (Pila)	2450	2300
Akola (Mixed) motor cut	2400	2350
Akola new (Chapa) motor cut	2400	2400
Kanpur (mandi rates)	2550	2500

MASOOR:

Masoor markets witnessed slight firmness this week in on the back of depleting stocks. The crop is healthy in MP, where harvesting is expected to start by March. However, Masoor crop in some patches of UP is expected to mature

earlier than expected due to lack of winter rains and poor soil moisture conditions. This might affect the quality of produce. The prices are likely to remain slightly firm in off-season, but gains would be limited due to harvesting in other pulses.

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

Date	MP/Kota Line (Delhi)	UP/Sikari (Delhi)
15.01.07	1950-2025	2500
16.01.07	1950-2000	2500
17.01.07	1950-2025	2500
18.01.07	1950-2000	2500
19.01.07	2000	2500
20.01.07	2000	2500

FIELD PEAS:

Field peas prices in the domestic markets remained steady to slightly firm on off-season premiums and high import prices. Further, there was not much supply pressure in Chana at major producing centres, which supported the Chana prices during the period. Steady prices of Chana couldn't lend any bearish sentiments to the peas market. The crop is in a good shape in UP and MP, but some fall in production is expected due to poor acreage this year. Acreage of peas is lower this year by 0.131 million hectares at 0.776 million hectare. So, it seems the prices should remain slightly on the positive side until domestic harvest starts, but the gains would be limited if Chana prices eases.

Peas Price Movement (Rs/qt)

Offers	Kanpur New	Mumbai Peas(WC)
13.01.2007	1500	1300
20.01.2007	1490-1500	1341

NEWS

Acreage Increases in Pulses This Season to 13.65 Million Hectares

Acreage under rabi pulses increased to 13.6576 million hectares as compared to 13.1359 mln hectare last year on

January 18. Gram added 0.7 mln hectares this year to acreage in 2005-06. Acreage has jumped to 8.2459 mln hectares this year against 7.5672 mln hectares lakh ha last year.

Futures Market (NCDEX)

Chana

Chana futures witnessed roller coaster movements during most part of the week, before sharply bouncing towards the end. Most active February contract at NCDEX dipped to the lows of Rs 2183 on Tuesday and then it recovered to see the highs of Rs 2268 on the last trading day of the week. Volumes traded dipped towards the end on increased margins, open interest also slipped in conjunction with it. The MCX February contract traded volatile in the range of Rs 2221-2281 per quintal.

PRICE DRIVERS:

Acreage of Chana increased by 0.70 mln hectares to 8.2459

Arrivals increasing in Gujarat, MH and Karnataka

Major producer MP to see fresh Chana in February

NAFED is not importing Chana at the moment

OUTLOOK:

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

Medium Term (One Month): Bearish on harvesting in AP, MH and MP

Long Term (Three Months): Slightly improve on decreasing arrivals

Chana (NCDEX January Contract)

Support-1	2200	Support-2	2182
Resistance-1	22364	Resistance-2	2389
Strategy	Sell on rallies towards resistance levels		

Urad

Urad futures edged higher in a choppy week. The most active February contract at NCDEX surged to the highs of Rs 2984 per quintal Late this week after witnessing lows of Rs 2792 on Monday. Volumes traded dipped during the week on increased margins, whereas open interest climbed higher. On the MCX February contract traded bullish in the range of Rs 2676-3052 during the week.

PRICE DRIVERS:

Harvesting of small crops in AP and Orissa is in progress

Major crop of bold Urad is expected near 0.25 mln tonnes in March

NAFED has imported 25,000 tonnes of Urad for March delivery

Exporters are quoting higher prices

OUTLOOK:

Short Term (One Week): Steady to slightly weak on increasing arrivals in Orissa

Medium Term (One Month): Weak on harvesting of major crop of bold Urad in AP

Long Term (Three Months): Slightly firm in off-season

Urad (NCDEX February Contract)

Support-1	2895	Support-2	2843
Resistance-1	3145	Resistance-2	3193
Strategy	Sell on rallies towards resistance		

Tur

Tur futures recovered smartly towards the end of the week after initial weakness. The most active February contract on NCDEX slipped initially to Rs 2086, then it surged to the highs of Rs 2239 late this week. January contract slipped sharply before expiry as traders with long positions were under pressure to avoid delivery of Lemon Tur. The volumes traded and open interest both slipped during the period, which suggests weak support for the rally.

PRICE DRIVERS:

Arrivals are increasing in the major Tur producing states

Crop expected to be short this year

Stockists are also buying despite higher prices

Imports scene gloomy due to higher quotes

MMTC is importing mere 1,000 tonnes Tur against tender issued for 5,000 tonnes

OUTLOOK:

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

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

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

Tur (NCDEX January Contract)

Support-1	2224	Support-2	2200
Resistance-1	2380	Resistance-2	2399
Strategy	Buy on 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 13.12.06

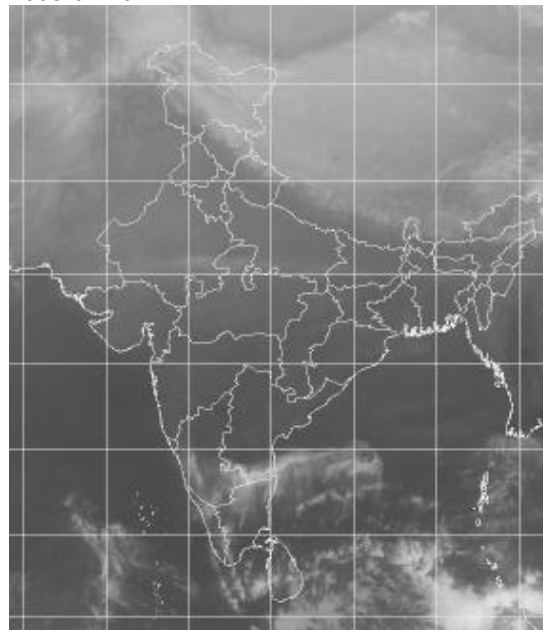
Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.34
European Union	Euro	57.61
Japan	100 Yen	36.56
United Kingdom	GBP	87.61

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	Harvesting	Mainly Dry	Good
	Karnataka	Harvesting	Partly Cloudy	Uncongenial
	MP	Harvesting	Mainly Dry	Good
Chana (Kharif + Rabi)	Rajasthan	Pod Bearing	Partly Cloudy	Uncongenial
	MP	Pod Bearing	Mainly Dry	Good
	Karnataka	Harvesting	Partly Cloudy	Uncongenial

Weather Map

2006-01-20



Source-IMD

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*Valid till 25th January 2006

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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