

PULSES

Jan 22-27, 2006

Highlights

Spot Markets

- Arrivals of Urad in Orissa not picking up momentum
- Chana is waiting for arrivals to increase in MH and Karnataka, in MP it is yet to start
- Tur arrivals are healthy in major producing states, good demand is supportive for prices

Fundamentals

URAD:

Urad witnessed steady to slightly firm sentiments during the week starting January 22. The Urad market witnessed no major impact of delisting of Urad futures from exchanges as per FMC's directives. FMC has temporarily banned the futures trading in Tur and Urad blaming it for the higher prices of these commodities in physical markets. Despite the ban on futures, the prices of Urad in physical markets remained on the higher side. The prices are not feeling much pressure from the ongoing harvest of small crops of AP and Orissa. Farmers of Orissa are holding their produce in anticipation of higher prices. However, the supply is expected to ease in March when a major crop of AP to the tune of 2,50,000 tonnes is expected to come in the market.

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

Date	Burma FAQ 2006 (Delhi)	Local Grade-UP/Bihar (Delhi)	Burma spot FAQ 2006 (Mumbai)
22.01.07	3200	3200	3250
23.01.07	3300	3250	3300
24.01.07	3350	3200-3250	3350
25.01.07	3350	3200	3350
27.01.07	3350	3200	3300-3350

Urad Prices in secondary markets

QUALITY	20.01.07	27.01.07
Akola	3300	3400
Indore	3250	3300
Gulbarga	NA	NA

Highlights

Futures Market

- As per FMC's directives, all contracts of Urad and Tur traded on the Exchange were delisted and all outstanding positions in all Urad and Tur contracts at the close of trading were closed out at the daily settlement prices (closing prices) as on January 23, 2007.

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

Date	F A Q	S Q
20.01.2007	630-640	685-710
27.01.2007	630-640	685-710

TUR:

Tur saw some easing in the prices initially during the week after the ban on futures trading in Tur; however, it recovered there after on the back of good demand. The arrivals of Tur are peaking these days, but healthy demand from stockists and millers are supporting the prices. Meanwhile, Mandis under Karnataka Agricultural Produce Markets Committees are on an indefinite strike from Wednesday to oppose the provisions of the Model Act allowing private players to set up market yards. This also has lent some bullish support the prices as supply from the state has come to a halt at the stage. Major producing centres are witnessing good arrivals of Tur as harvesting is peaking in Karnataka and Maharashtra and gathering momentum in MP. Looking at the healthy crop of Chana this year, stockists are mainly focusing on Tur.

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

Date	Burma Spot Delhi	Maharashtra Line (Delhi)	Burma Spot Mumbai
22.01.07	2100	2200	2100
23.01.07	2075	2200-2300	2100
24.01.07	1950	2400	2000
25.01.07	2000	2350-2400	2050
27.01.07	1975-2000	2500	2100

Tur Prices in secondary markets

QUALITY AND CENTRE NAME	20.01.07	27.01.07
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%)
20.01.2007	400-425	470
27.01.2007	400-425	470

MOONG:

Moong market is witnessing firm trend in the peak off-season of the commodity. The stocks of the commodity are gradually depleting which is putting pressure on the prices. Imports are also costly; Pedishwar Moong of Burma origin is being quoted at \$785 per tonne against \$760 recently. As the acreage of the crop has increased this Rabi season to 4.76 lakh hectares from 4.2 lakh hectares last year, the prices might see some easing on the onset of harvest in Maharashtra and Gujarat in February.

Latest prices in Delhi (Rs/qt.)

Date	Kekdi/ Kishangarh (Delhi)	Medta(Delhi)
20.01.2007	3350	3400
27.01.2007	3450-3500	3500

Prices at Secondary Centres (Rs/qt)

Centres	13.01.07	20.01.07
Gulbarga	NA	NA
Latur	3200	3400
Jalna	3300	3350-3400
Akola	3250	3400
Kanpur	3200	3350
Indore	3300	3450

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

Date	Burmese Pokako	Burmese Annashewa	Burmese Pedishewa
20.01.2007	670	610-625	760
27.01.2007	670	610-625	760

CHICKPEAS:

Chana is witnessing mixed sentiments these days, as it is peak of season in some centres, whereas others are witnessing some fresh arrivals from the ongoing harvest. Arrivals are gathering momentum steadily in Maharashtra, Karnataka and AP, but are still not enough to pressure the prices much. The prices are hovering on the higher side in Delhi and MP where old depleting stocks are fulfilling the demand. Firmness in other pulses is also lending some support to Chana prices. Traders are expecting harvesting to speed up by February first week, when the main producer MP will also be witnessing sporadic arrivals. As the production this year is expected to be on higher side due to increased acreage and healthy weather, the prices are expected to come down gradually with the progress of harvest.

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

Date	Rajasthan (Delhi)	Indore (Kantewala)
22.01.07	2550	2450-2500
23.01.07	2600	2525
24.01.07	2600	2550
25.01.07	2625	2500
27.01.07	2700	2550

Prices in Mandies of Maharashtra/ UP/ Karnataka

Centres	20.01.07	27.01.07
Gulbarga New	2300	2350
Latur (Gauran)	2250-2300	2200-2300
Latur (Annagiri)	2400	2350-2400
Latur (G-12)	2400	2350
Jalna (Gauran)	2200	2350-2400
Jalna (Pila)	2300	2450
Akola (Mixed) motor cut	2350	2550
Akola new (Chapa) motor cut	2400	2500
Kanpur (mandi rates)	2500	2700

MASOOR:

Masoor markets witnessed slight firmness in the prices as the stocks of the commodity is depleting with time. As, the acreage of the commodity has dipped this year 44,000 hectares to 1.501 million hectares on account of shift towards other crops; some fall in production is expected. Further, as UP crop has not got any drizzle this winter, and

it also suffered moisture stress during early growth stage, the crop is expected slightly on the lower side. The harvest of the same in UP is expected to start in mid February. So, the prices might hold the current levels, which eventually will come down with the onset of harvest.

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

Date	MP/Kota Line (Delhi)	UP/Sikari (Delhi)
22.01.07	1950-2000	2500
23.01.07	2000	2500
24.01.07	2000	2500
25.01.07	1950-2000	2450-2500
27.01.07	2000	2450-2500

FIELD PEAS:

Field peas prices in the domestic markets are holding the higher levels, thanks to the higher quotes of imported peas. As it is peak off-season for domestic peas, the demand is being fulfilled mainly by imports from Canada, US and Ukraine. Demand for peas is good at the stage as Chana prices are still on the higher side. The crop is in a good shape in UP and MP, but some fall in production is expected due to poor acreage this year. So, it seems the prices might hold the levels until the Chana prices ease.

Peas Price Movement (Rs/qt)

Offers	Kanpur New	Mumbai Peas(WC)
20.01.2007	1490-1500	1341
27.01.2007	1500	1301

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 some correction after a sharp rise on first trading day of the week, as some bearish sentiments infiltrated from delisting of Tur and Urad futures from exchanges as per FMC's directives. However, the prices again recovered smartly towards the end of the week. Most active February contract at NCDEX surged to the highs of Rs 2382 earlier in the week before witnessing the lows of Rs 2272 after delisting of Tur and Urad futures. Volumes traded were on the higher side, whereas open interest dipped during the week as investors squared off their positions in panic after FMC's surprising action. The MCX February contract also saw a shaky week and traded in the range of Rs 2310-2450 per quintal.

PRICE DRIVERS:

MP, UP and Delhi are still waiting for fresh Chana, old stocks are depleting

Firmness in other pulses

Acreage of Chana increased by 0.70 mln hectares to 8.2459 mln hectares

Arrivals are slowly gathering momentum in MH and Karnataka

Imports have dried up

OUTLOOK:

Short Term (One Week): Mixed, slightly bearish where harvest is in progress, steady to firm in other centres

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

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

Chana (NCDEX February Contract)

Support-1	2380	Support-2	2310
Resistance-1	2600	Resistance-2	2674
Strategy	Sell on rallies towards resistance levels		

Urad

Urad futures have been temporarily delisted from the exchanges till next notification as per FMC's directives.

PRICE DRIVERS:

Harvesting of small crops in AP and Orissa is in progress

Farmers in Orissa holding their stocks in anticipation of higher prices

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 firm on sporadic arrivals in Orissa and AP, and price sensitive demand

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

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

Tur

Tur futures have been temporarily delisted from the exchanges till next notification as per FMC's directives.

PRICE DRIVERS:

Arrivals are peaking 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

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

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 30.12.06

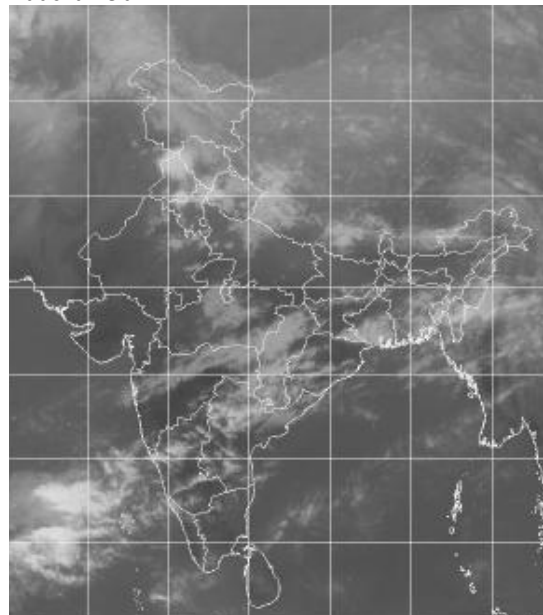
Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.27
European Union	Euro	57.13
Japan	100 Yen	36.24
United Kingdom	GBP	87.71

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	Partly Cloudy	Slightly uncongenial
	Karnataka	Harvesting	Partly Cloudy	Uncongenial
	MP	Harvesting	Mainly Dry	Good
Chana (Kharif + Rabi)	Rajasthan	Pod Bearing	Partly Cloudy	Slightly uncongenial
	MP	Pod filling to maturity	Scattered Rains	Good
	Karnataka	Harvesting	Mainly Dry	Good
	Maharashtra	Harvesting	Partly Cloudy	Slightly uncongenial

Weather Map

2006-01-30



Source-IMD

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*Valid till 5th 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
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(Source: Commerce Ministry, Myanmar)

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