

PULSES

Feb19-24, 2007

Highlights

Spot Markets

- Government seizes pulses stocks in AP from retailers on breaching limits
- Government opened export of Dollar Gram
- Festival demand supported Chana prices
- Harvesting of Chana progressing in MP
- Harvest of Urad in AP to start shortly
- Stockists under pressure after recent action of government on stock limits

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.

Fundamentals

URAD:

Urad markets remained lack luster during the week starting February 19. Supply from Orissa and Andhra Pradesh were not enough to pressure the prices much. Harvesting is in progress in Orissa and AP in congenial weather. Arrivals in AP are expected to increase in the forthcoming week. Stockists are cautious after the government action on stock limits. With the government looking determined to bring down inflation by any means, the market players are not seeing firmness in the prices at the stage. Even the activities at ports were subdued during this week. Banks are also now pulling their hands off commodities financing, which will finally translate in to lack of vigor in the market. So, the scenario in Urad seems bearish at the moment and the prices are expected to remain on the softer side.

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

Date	F A Q	S Q
17.02.2007	580	660
24.02.2007	590	640

TUR:

Tur prices also ruled steady before slight recovery towards the end of the week on improved demand from the millers. Stockists, earlier buying aggressively on slightly lower production this years, seem have calm down after looking the government stand on stock limits. The arrivals are increasing in Maharashtra, whereas in Karnataka and AP it is witnessing gradual fall. Increase in international quotes is keeping the imports at bay at this stage. The prices are not likely to ease much especially looking at the lower production expected this year, at the same time cautious demand from stockists would not let the prices surge much.

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

Date	Burma FAQ 2006 (Delhi)	Local Grade-UP/Bihar (Delhi)	Burma spot FAQ 2006 (Mumbai)
19.02.07	2950	3100	3000
20.02.07	2950	3100	3000
21.02.07	3000	3100	2975
22.02.07	3000	3050-3100	3000
23.02.07	3025	3050-3100	3000
24.02.07	3000	3100	3000

Urad Prices in secondary markets

QUALITY	17.02.07	24.02.07
Akola	3150-3200	3000
Indore	3400	3350
Gulbarga	NA	NA

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

Date	Burma Spot Delhi	Maharashtra Line (Delhi)	Burma Spot Mumbai
19.02.07	1875	2300	1875
20.02.07	1850	2250	1850
21.02.07	1900	2250	1850
22.02.07	1960	2250	1900
23.02.07	1975	2250	1900
24.02.07	1960	2250	1875

Tur Prices in secondary markets

QUALITY AND CENTRE NAME	17.02.07	24.02.07
Gulbarga - Red Tur	2350	2400
Latur Red tur (Mh Line)	Closed	2325-2350
Latur White tur (Mh Line)	Closed	2300
Jalna Red	Closed	2200
Jalna White	Closed	2250
Jalna BDM	Closed	2250
Akola Red Marathwada Line (motor cut)	NA	NA
Akola Red Vidharbha Line (motor cut)	2200	2180-2200

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

DATE	Tanzania Arusha	Burmese (Lemon Tur, Weeviled 15%)
17.02.2007	NA	525
24.02.2007	NA	480

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)
17.02.2007	3450	3500
24.02.2007	3450	3500

Prices at Secondary Centres (Rs/qt)

Centres	17.02.07	24.02.07
Gulbarga	NA	NA
Latur	3400	3300
Jalna	3300	3200
Akola	3300-3400	3250-3350
Kanpur	3400-3425	3400
Indore	3300-3500	3400

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

Date	Burmese Pokako	Burmese Annashewa	Burmese Pedishewa
17.02.2007	650-670	630-650	720
24.02.2007	690	610	720-725

CHICKPEAS:

Chana prices recovered some of the earlier losses towards the end of the week on improved demand from millers ahead of Holi. Millers bought aggressively at lower levels for the prospective festival demand. Meanwhile, government's decisions to lift ban on export of Dollar Gram also helped support the prices to some extent. However, looking at the prospects of god production of Chana on increased acreage this year, this firmness would be short lived. Further, government action against whole sellers and retailers of pulses on stock limits recently, would keep the stockists under pressure in the coming time. Long sowing period in Maharashtra seen this year is likely to result in lengthy harvesting season, which in turn would disperse the arrivals. Harvesting in the largest Chana producing state, Madhya Pradesh is expected to gather momentum by first week of March. The scenario seems bearish for Chana in the coming time with increase in supply pressure.

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

Date	Maharashtra (Delhi)	Indore (Kantewala)
19.02.07	2300-2350	2050
20.02.07	2275	2000
21.02.07	2300	2000
22.02.07	2350	2050-2080
23.02.07	2375	2075
24.02.07	2325	2040

Prices in Mandies of Maharashtra/ UP/ Karnataka

Centres	17.02.07	24.02.07
Gulbarga New	2150	2150
Latur (Gauran)	Closed	2000-2050
Latur (Annagiri)	Closed	2150
Latur (G-12)	Closed	2100
Jalna (Gauran)	Closed	2000
Jalna (Pila)	Closed	2075
Akola (Mixed) motor cut	2175-2200	2050-2075
Akola new (Chapa) motor cut	2200-2250	2100
Kanpur (mandi rates)	2450	2150

MASOOR:

Masoor prices recouped earlier losses during the week on the back of healthy demand from stockists. The prices eased initially on the increased arrivals in MP and Kanpur; however, demand from stockists at lower prices helped support the prices to recover earlier losses. As the production of Masoor this year is expected slightly lower, demand from stockists end is good for the commodity. The

prices might see some cooling off with progress of harvest, however good demand from stockists might contain the losses.

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

Date	MP/Kota Line (Delhi)	UP/Sikari (Delhi)
19.02.07	1950	2500
20.02.07	1950	2500
21.02.07	1950	2500
22.02.07	1950-2000	2500
23.02.07	1950-2000	2500
24.02.07	1950	2500-2525

FIELD PEAS:

The prices of imported field peas firmed up slightly in Mumbai, during the period on firm international prices and improved demand. Whereas, domestic field peas prices at Kanpur witnessed gradual fall with the increase in harvesting pressure. Harvesting of field peas is in progress in UP in congenial weather, where marginal fall in production is expected on lower acreage this year. The prices are likely to remain on the softer side in the harvesting season. Good crop of Chana would also keep them under pressure.

Peas Price Movement (Rs/qt)

Offers	Kanpur New	Mumbai Peas(WC)
17.02.2007	1460	1431
24.02.2007	1450	1451

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 recouped all the initial losses to close the week on slightly firm note. The futures started the week on bearish note extending the weakness of the previous week, however they recovered thereafter on buying support at lower levels. The most active March contract at MCX dipped to the lows of Rs 2035 on Monday and then it bounced to the highs of Rs 2159 late this week. Similarly, most active March contract at NCDEX recovered after witnessing the lows of Rs 1974 on Monday and traded as high as Rs 2110 late this week. The volumes traded remained healthy, whereas open interest dipped slightly as traders squared of their positions.

PRICE DRIVERS:

Government lifted ban on exports of Dollar Gram

Demand from millers ahead of Holi

Stockists under pressure on government stand on stock limit

Government action against retailers and whole sellers of pulses in AP on stock limit

Harvesting of bumper Chana crop in MP gathering momentum

OUTLOOK:

Short Term (One Week): Initial firmness on festive demand would ease on harvesting pressure

Medium Term (One Month): Bearish on peaking harvest in major producing states

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

Chana (NCDEX March Contract)

Support-1	2003	Support-2	1985
Resistance-1	2125	Resistance-2	2147
Strategy	Sell on rallies		

Urad

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

PRICE DRIVERS:

Stockists cautious on stock limits

Banks hesitating in commodity financing after recent Government action on stock limits

Weather congenial for harvest of Urad crop of Andhra Pradesh

Orissa crop survived recent poor weather conditions

Subdued action on import front

OUTLOOK:

Short Term (One Week): Steady to slightly bearish on arrivals in Orissa and AP, and government stand on inflation

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:

Stockists are under pressure; cautious on stock limits

Good demand from millers

Falling arrivals in Andhra and Karnataka

Arrivals still increasing in Maharashtra

Easing sentiments in Chana in harvesting season

Gloomy import scene after recent action of the government on stock limits

OUTLOOK:

Short Term (One Week): Steady to marginally firm on cautious demand from stockists

Medium Term (One Month): Moderately firm on fall in arrivals and easy sentiments in Chana

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

Latest Vessel Position

New Flame has arrived on 19th February at Kolkata port to discharge 32900 tonnes peas. Another New Flame (ex S.A.C) has also arrived on 21st at Kolkata port to offload 28165 tonnes of peas.

Forex rate as on 24.02.07

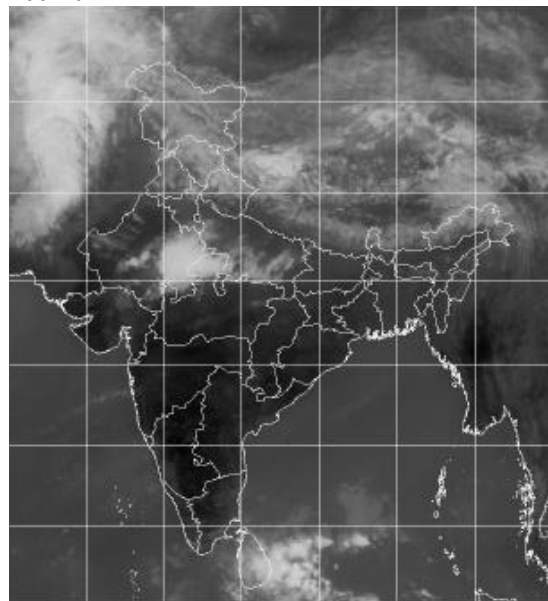
Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.28
European Union	Euro	58.10
Japan	100 Yen	36.46
United Kingdom	GBP	86.64

Crop -Weather Impact

Commodity	States	Crop Stage	Impact
Urad (Kharif + Rabi)	Andhra	Maturity Stage	Mainly Dry Good
	Orissa	Harvesting	Scattered Rains Affect harvesting
Tur (Kharif)	Maharashtra	Harvesting	Scattered Rains Affect harvesting
	Karnataka	Harvesting	Mainly Dry Good
	MP	Harvesting	Scattered Rains Affect harvesting
Chana (Kharif + Rabi)	Rajasthan	Pod filling	Scattered Rains Good
	MP	Harvesting	Scattered Rains Affect harvesting
	Karnataka	Harvesting	Mainly Dry Good
	Maharashtra	Harvesting	Scattered Rains Affect harvesting

Weather Map

2007-02-24



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

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)

Monthly Total Exports of Burma (qty. in tonnes)

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