

## PULSES

Jan 29-Feb03, 2007

### Highlights

#### Spot Markets

- Pulses acreage increase to 138.113 lakh ha against 133.093 lakh ha last year
- Chana acreage increases to 83.24 lakh ha against 76.72 lakh ha last year
- Fresh arrivals of Chana seen in MP and are gathering momentum in MH and Karnataka
- Tur arrivals decreasing in Karnataka, whereas arrivals are healthy in Maharashtra, good demand is supportive for prices
- Masoor harvesting starts in MP and UP

### 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.

### URAD:

Urad witnessed steady sentiments during the week starting January 29. Urad futures saw astronomical levels last year on the back of poor production and even good harvest to the tune of 8 lakh tonnes in Kharif season this year can't ease the prices much as the pipeline was empty. Now after a good harvest in Kharif, including healthy crop of Orissa and Andhra Pradesh the supply of the commodity seems enough for the current subdued demand and thus the prices are not surging any more. Further, the forthcoming good crop of around 2.5-2.7 lakh tonnes of AP in March is expected to ease the prices, until then expect some range bound movements in the prices as vigour is absent from both demand and supply side.

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

Date	Burma FAQ 2006 (Delhi)	Local Grade-UP/Bihar (Delhi)	Burma spot FAQ 2006 (Mumbai)
29.01.07			
30.01.07			
31.01.07			
01.02.07			
02.02.07			
03.02.07			

#### Urad Prices in secondary markets

QUALITY	27.01.07	03.02.07
Akola	3400	
Indore	3300	
Gulbarga	NA	

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

Date	F A Q	S Q
27.01.2007	630-640	685-710
03.02.2007		

### TUR:

Tur prices are not easing, even in peak arrival season of the commodity on the back of good demand from stockists. Tur prices had smaller contribution in increasing inflation last year as compared to the other pulses like Chana and Urad, as the production of the commodity was normal last year. However, the prices surged higher with the start of harvesting in this season on good demand from stockists as crop is expected to be slightly on the lower side. So, the prices are following simple chemistry of supply and demand and the soaring levels seen last year seems were not the resultant of the futures trading. Tur might see slightly higher prices this year even in the absence of futures trading. Major producing centres are witnessing good arrivals of Tur with the peaking harvest in the commodity these days.

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

Date	Burma Spot Delhi	Maharashtra Line (Delhi)	Burma Spot Mumbai
29.01.07			
30.01.07			
31.01.07			
01.02.07			
02.02.07			
03.02.07			

**Tur Prices in secondary markets**

QUALITY AND CENTRE NAME	27.01.07	03.02.07
Gulbarga - Red Tur	2275	
Latur Red tur (Mh Line)	2200	
Latur White tur (Mh Line)	2250	
Jalna Red	2150-2200	
Jalna White	2200	
Jalna BDM	2250	
Akola Red Marathwada Line (motor cut)	NA	
Akola Red Vidharbha Line (motor cut)	2250	

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

DATE	Tanzania Arusha	Burmese ( Lemon Tur, Weeviled 15%)
27.01.2007	400-425	470
03.02.2007		

**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)
27.01.2007	3450-3500	3500
03.02.2007		

**Prices at Secondary Centres (Rs/qt)**

Centres	27.01.07	03.02.07
Gulbarga	NA	
Latur	3400	
Jalna	3350-3400	
Akola	3400	
Kanpur	3350	
Indore	3450	

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

Date	Burmese Pokako	Burmese Annashewa	Burmese Pedishewa
27.01.2007	670	610-625	760
03.02.2007			

**CHICKPEAS:**

Chana markets are witnessed cooling off in the prices across the board towards the end of the week as harvesting started gathering momentum. After witnessing sluggish growth throughout the month, Maharashtra, Karnataka and Andhra markets are witnessing increased arrivals in February. Further, harvesting in MP has also started to support the supply side of the commodity. Buyers are now hesitating to buy at higher prices as the harvesting in MP, the largest Chana producer, is suggesting easing sentiments ahead. Whereas, prospects of Chana crop in Rajasthan is looking mixed at this stage. In Bikaner belt the crop is in good condition, whereas Chru and Tara Nagar belts are waiting for some drizzles. Healthy production expected in the country this year might pressure the major exporters like Australia and Canada to quote lower in the harvesting season. The scenario seems slightly bearish for Chana in the coming time, provided weather remains favourable.

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

Date	Rajasthan (Delhi)	Indore (Kantewala)
29.01.07		
30.01.07		
31.01.07		
01.02.07		
02.02.07		
03.02.07		

**Prices in Mandies of Maharashtra/ UP/ Karnataka**

Centres	27.01.07	03.02.07
Gulbarga New	2350	
Latur (Gauran)	2200-2300	
Latur (Annagiri)	2350-2400	
Latur (G-12)	2350	
Jalna (Gauran)	2350-2400	
Jalna (Pila)	2450	
Akola (Mixed) motor cut	2550	
Akola new (Chapa) motor cut	2500	
Kanpur (mandi rates)	2700	

**MASOOR:**

Masoor prices finally witnessed some easing sentiments towards the end of the week as some sporadic arrivals of fresh Masoor seen in UP (Kanpur) and MP. The crop of MP

is expected well this season, whereas UP crop is said to be suffering from the lack of rains. The heated prices might see some cooling off with progress of harvest. However, slight fall expected in production this year on account of lower acreage, would limit the losses.

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

Date	MP/Kota Line (Delhi)	UP/Sikari (Delhi)
29.01.07		
30.01.07		
31.01.07		
01.02.07		
02.02.07		
03.02.07		

### FIELD PEAS:

Field peas prices in the domestic markets are holding the higher levels as the supply of the desi field peas is slightly on the tighter side, at the same time prices of imported peas are still ruling higher. However, with the progress of harvest in Chana and consequent easing in its prices, the prices of field peas might come down slowly. 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 eases; further, harvest in late February might also put some pressure on the prices in coming time.

### Peas Price Movement (Rs/qt)

Offers	Kanpur New	Mumbai Peas(WC)
27.01.2007	1500	1301
03.02.2007		

### 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 shed all the initial gains towards the end of the week. The prices surged higher initially, however, increased selling interest then pressured the prices down. The most active March contract at MCX surged to the highs of Rs 2398 on Wednesday, however the prices couldn't sustain those levels and heavy selling pressure took the prices to the lows of Rs 2157 towards the end of the week. Similarly, most active March contract at NCDEX traded in the range of Rs 2157-2398 per quintal. The volumes traded were on higher side, open interest also edged marginally higher.

#### PRICE DRIVERS:

Weather is mostly favorable, Churu belt of Rajasthan need showers

Harvesting started in MP, the largest producer of Chana

Harvest is gathering momentum in Maharashtra, Karnataka and AP

Good stocks with exporters like Australia and Canada

Firmness in Tur and Urad might support the demand

#### OUTLOOK:

**Short Term (One Week):** Slightly bearish on progressing harvest

**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	2000	Support-2	1950
Resistance-1	2224	Resistance-2	2274
<b>Strategy</b>	Sell on rallies		

## Urad

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

### PRICE DRIVERS:

Harvesting of small crop of AP is in progress

Harvesting of small crop in Burma has started; Major crop is expected in March

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

Burmese exporters are quoting higher, SQ grade being sold at \$730 per ton

### OUTLOOK:

**Short Term (One Week):** Steady 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:

PRICE DRIVERS:

Arrivals are peaking in the major Tur producing states

Crop expected to be slightly short this year

Good crop of Chana might contain the gains to some extent

Stockists are buying despite higher prices

Imports quoting higher, Burmese lemon being sold at \$510 per ton

### OUTLOOK:

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

**Medium Term (One Month):** Moderately firm on stockists activity and decreasing arrivals

**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 03.02.07

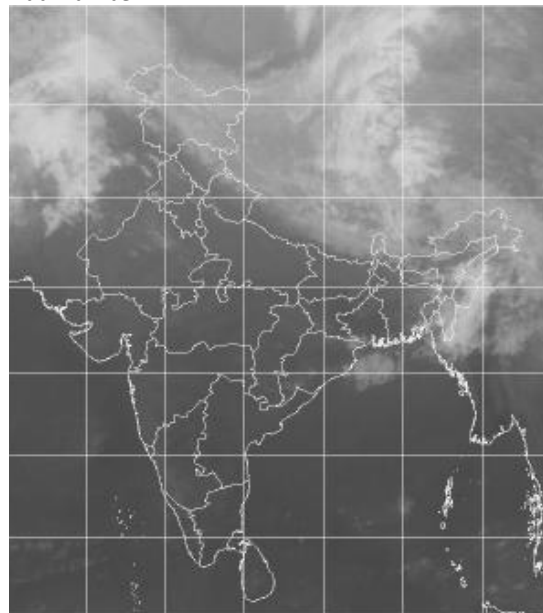
Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.11
European Union	Euro	57.44
Japan	100 Yen	36.55
United Kingdom	GBP	86.79

#### Crop -Weather Impact

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

#### Weather Map

2007-02-05



Source-IMD

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\*Valid till 10<sup>th</sup> February 2007

#### International Highlight

USDA

#### 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

#### 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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