

## PULSES

March05-10, 2007

### Highlights

#### Spot Markets

- Government frees exports of Kabuli Chana of all restrictions
- Weather is concerning in Rajasthan, scattered rains in MP would interfere with harvest
- Harvest of Urad in AP in progress, crop expected 2.5 lakh tonnes

### 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 prices felt some warmth during the week as farmer's optimism about prices kept the market yards waiting for Urad. Harvesting of a healthy crop to the tune of 2.5 lakh tonnes of Urad is in progress in Andhra Pradesh, but farmers seem in no hurry to sell their produce, thanks to good realization from paddy crop this year. Burmese quotes for FAQ grade Urad also inched higher copying the firm prices of Indian counterpart to \$580-590 per ton from \$560 a ton recently. The fresh produce from AP is of good quality and farmers are reportedly realizing good yield this season. The prices might hold the levels for the time being until arrivals increases.

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

Date	Burma FAQ 2006 (Delhi)	Local Grade-UP/Bihar (Delhi)	Burma spot FAQ 2006 (Mumbai)
05.03.07	2775	3100	2750
06.03.07	2750	3100	2750
07.03.07	2875	3100	2800
08.03.07	2900	3100	2875
09.03.07	2925	3150	2900
10.03.07	2925	3150	2925

#### Urad Prices in secondary markets

QUALITY	03.03.07	10.03.07
Akola	2900	2850-2900
Indore	3200	3000-3100
Gulbarga	NA	NA

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

Date	F A Q	S Q
03.03.2007	590	640
10.03.2007	580-590	610

### TUR:

Tur prices also enjoyed slight firmness during the period in conjunction with other pulses as gradually decreasing arrivals with the closing harvesting season supported the prices. Demand for Tur from millers continues to remain good, further some increase in international quotes for lemon Tur also lent some bullish sentiments to the domestic Tur market. Lower production of the commodity is already keeping its demand vibrant which in turn would support the prices especially in shrinking supply scenario.

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

Date	Burma Spot Delhi	Maharashtra Line (Delhi)	Burma Spot Mumbai
05.03.07	1900	2250	1900
06.03.07	1925	2250	1900
07.03.07	1950	2300	1941
08.03.07	1970	2300	1950
09.03.07	1990	2300	1975
10.03.07	2025	2300	2000

### Tur Prices in secondary markets

QUALITY AND CENTRE NAME	03.03.07	10.03.07
Gulbarga - Red Tur	2300	2400-2450
Latur Red tur (Mh Line)	2300-2330	2450
Latur White tur (Mh Line)	2200-2250	2350-2400
Jalna Red	2100	2150-2200
Jalna White	2200	2150-2225
Jalna BDM	2225	2250
Akola Red Marathwada Line (motor cut)	NA	NA
Akola Red Vidharbha Line (motor cut)	2175	2300

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

DATE	Tanzania Arusha	Burmese ( Lemon Tur, Weeviled 15%)
03.03.2007	NA	480
10.03.2007	NA	490

### 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)
03.03.2007	3450	3500
10.03.2007	3450	3500

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

Centres	03.03.07	10.03.07
Gulbarga	NA	NA
Latur	3150-3200	3100-3150
Jalna	3150-3200	3150-3250
Akola	3100-3150	3100-3300
Kanpur	3350	3300-3350
Indore	3300	3200-3300

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

Date	Burmese Pokako	Burmese Annashewa	Burmese Pedishewa
03.03.2007	690	610	720-725
10.03.2007	620	NA	675-680

### CHICKPEAS:

Chana prices inched higher all across the board during the week starting March 5 on the weak arrivals. Recent government decision to allow exports of Kabuli Chana free of any restriction also supported the prices to some extent. Arrivals in major producing centers couldn't gather momentum as expected with the farmers holding their produce in anticipation of higher prices. Though the stockists haven't joined the bandwagon yet, demand from millers is healthy at this stage. Meanwhile, recent weather forecast of rains in Northwestern India by IMD is keeping the Chana market in suspicion about its impact. The crop is in a good shape in Rajasthan and MP, and if it rains heavily as expected, it might affect the prospects of the crop. Arrivals in MP would also get affected. So, weather will be the focal point in the forthcoming week. However, in normal weather conditions, arrivals are expected to improve to cool the prices down.

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

Date	Maharashtra (Delhi)	Indore (Kantewala)
05.03.07	2100	1900
06.03.07	2150	1975-1980
07.03.07	2250	2000
08.03.07	2225-2250	2020
09.03.07	2250	Closed
10.03.07	2300	2125

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

Centres	03.03.07	10.03.07
Gulbarga New	2100	
Latur (Gauran)	1900	2000
Latur (Annagiri)	1950-1975	2150
Latur (G-12)	1950	2050
Jalna (Gauran)	1950	1975-2000
Jalna (Pila)	2000	2040
Akola (Mixed) motor cut	1950	21250
Akola new (Chapa) motor cut	2000	2150
Kanpur (mandi rates)	2000	2180-2200

### MASOOR:

Masoor market remained most vibrant among the pulses markets during the period under review. Arrivals in MP and UP remained steady, but aggressive buying by millers underpinned the prices. Stockists buying actively during the first half of the week were seen sidelined once the prices surged higher. Harvesting is likely to peak by first week of April and at that time some easing in prices is likely. However, downside potential is not much as the stockists would jump to support the prices. Slightly lower production expected this year on 8% shrinkage in acreage, is expected

to keep demand for masoor lively. The prices might see some cooling off with progress of harvest, however they might get support from strong demand at lower levels.

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

Date	MP/Kota Line (Delhi)	UP/Sikari (Delhi)
05.03.07	2100	2500
06.03.07	2150	2500
07.03.07	2200	2500
08.03.07	2250	2500
09.03.07	2350	2550
10.03.07	2350	2550

### FIELD PEAS:

The domestic field peas prices remained firm in conformity with general firmness in pulses. The prices edged higher on good demand amidst steady arrivals. Whereas, the prices of imported field peas in Mumbai inched marginally higher towards the end of the week. Harvesting has not gathered momentum yet and is expected to peak in first week of April. As Chana prices are also holding the levels, the sentiments in field pea market is expected to remain steady at this juncture until harvesting becomes widespread phenomenon. However, sharp down fall the prices in peak harvesting season is unlikely as lower production on 10.8% fall in acreage would keep demand healthy.

### Peas Price Movement (Rs/ct)

Offers	Kanpur New	Mumbai Peas(WC)
03.03.2007	1550	1451
10.03.2007	1620	1461

### NEWS

#### Acreage Increases in Pulses This Season to 13.97 Million Hectares

Acreage under Rabi pulses increased to 13.97 mln hectares as compared to 13.63 mln hectares last year on March 02. Gram acreage added 0.7 mln hectares this year to acreage in 2005-06. Acreage has jumped to 8.39 mln hectares this year against 7.7 mln hectares last year. Area under Peas decreased by 10.8 % to 8.22 lakh hectares and Lentils acreage also decreased by 8 %.

### Export of Kabuli Chana Freed of All Restrictions

Government have decided, as a special case, to make the export of Kabuli Chana (as is known by different names in different parts of the country), free without any quantitative restrictions. DGFT have issued Notification No.52 dated 7/3/07 accordingly. As a result, the export of Kabuli Chana is free, without any restrictions. The concerned regional offices of DGFT have been intimated about this decision.

Source: PIB

### Futures Market (NCDEX)

#### Chana

Chana futures surged smartly recouping all the losses of previous week on continued buying interest during the week. The most active April contract at MCX surged to the highs of Rs 2124 Friday after touching the lows of Rs1951 on Tuesday. Similarly, most active April contract at NCDEX marked fourth consecutive gains to close at 2079 on Friday after witnessing the lows of Rs 1967 on the very first day of the week. The volumes of trade dipped during the period, whereas open interest edged marginally higher.

#### PRICE DRIVERS:

Weather concerns in Rajasthan

Harvest gathering momentum in MP, arrivals yet to pick up

Government frees exports of Kabuli Chana of all restrictions

Production expected to increase on increased acreage and favourable weather so far

#### OUTLOOK:

**Short Term (One Week):** Firm initially on weather concerns and would retreat there after with increase in arrivals

**Medium Term (One Month):** Bearish on peaking harvest in some of the major producing states

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

#### Chana (NCDEX April Contract)

Support-1	1996	Support-2	1974
Resistance-1	2123	Resistance-2	2150
<b>Strategy</b>	Sell on rallies		

Forex as on 10.03.2007

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.27
European Union	Euro	58.23
Japan	100 Yen	37.74
United Kingdom	GBP	85.54

#### Latest Vessel Position

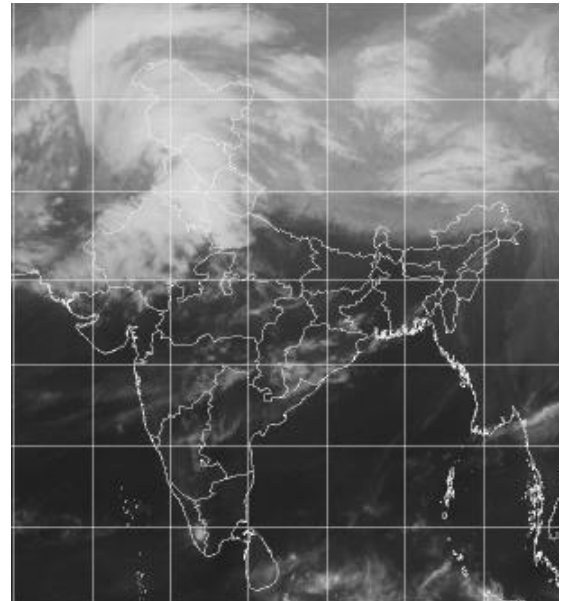
New Flame has arrived on 19th February at Kolkata port to discharge 32900 tonnes peas. Another New Flame (ex S.A.C) has also arrived on 21st at Kolkata port to offload 28165 tonnes of peas.

#### **Crop -Weather Impact**

Commodity	States	Crop Stage	Impact	
<b>Urad</b> (Kharif + Rabi)	Andhra	Harvesting	Mainly Dry	Good
	Orissa	Harvesting	Mainly Dry	Good
<b>Peas</b> (Kharif)	UP	Harvesting	Scattered Rains	Uncongenial for harvest
<b>Chana</b> (Kharif + Rabi)	Rajasthan	Pod filling	Rains	Not beneficial
	MP	Harvesting	Scattered rains	Uncongenial for harvest
	Karnataka	Harvesting	Mainly Dry	Good
	Maharashtra	Harvesting	Mainly Dry	Good

#### **Weather Map**

2007-12-05



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

### 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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