

PULSES

May 26- June02, 2007

Highlights

Spot Markets

- Summer Urad and Moong are vegetative/early reproductive stage.
- Government decided to distribute pulses oils through PDS at subsidized rates
- NAFED scrapped its 1,60,000 tonnes of Yellow Peas import plans this week due to poor responses
- 90,000 tonnes pulses already reached the ports recently

Highlights

Futures Market

- 3,810 MT Chana was delivered for the NCDEX May contract
- NCDEX and MCX combined stock of Chana reached 32,751 MT

Fundamentals

URAD:

A steady to weak trend was seen in Urad spot market during the week. While a decline of Rs.100 was seen in the first few days due to lower buying interest under the pressures of imports, prices then recovered, as arrivals were not satisfactory. In the international market, Urad was the lowest priced among all pulses. Buyers hold the upper hand, as imports currently remain favourable given the strong Rupee. Thus, Urad prices are expected to remain slightly on the lower sides due to chances of increase in arrivals.

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

Date	Burma FAQ (Delhi)	Burma spot FAQ (Mumbai)
21.04.07	2475	2475-2501
22.05.07	2425	2475
23.05.07	2421	2425
24.05.07	2401	2401
25.05.07	2401	2425
26.05.07	2471	2431-2441

Urad Prices in secondary markets

QUALITY	26.05.07	19.05.07
Akola	2400	2675
Indore	2500	2700
Jalna	2400	2700

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

Date	F A Q	S Q
19.05.07	585	630-635
26.05.07	580	600-630

TUR:

A weak sentiment was observed in Tur market in the week tough arrivals were steady. The bearish sentiment of other pulses pushed prices lower in most part of the week but at the end it recovered smartly on the back of improved buying interest. Last week four vessels reached Mumbai and Kolkata port to offload almost 90,000 MT pulses. Though domestic production of Tur is lower this year but imported Tur is expected to increase the arrivals of the commodity in the market shortly. So, in this context, prices are expected to prevail steady to slightly weak in coming days.

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

Date	Burma Spot Delhi	Burma Spot Mumbai (New)
21.04.07	2275	2275-2300
22.05.07	2225	2250
23.05.07	2225	2211
24.05.07	2201	2211
25.05.07	2221	2211
26.05.07	2275-2281	2261

Tur Prices in secondary markets

Centres and Grade	26.05.07	19.05.07
Gulbarga - Red Tur	2375	2425
Latur Red tur (Mh Line)	2375	2425
Latur White tur (Mh Line)	2400	2400
Jalna Red	2100-2200	2200-2300
Jalna White	2200-2300	2200-2350
Jalna BDM	2300	2350

Akola Red Vidharbha Line (motor cut)	2335	2365
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International Price for Tur USD/MT CNF (Mumbai) 90 Days

DATE	Burmese FAQ new	Burmese (Lemon Tur, Weeviled 15%)
19.05.07	520-530	550-560
26.05.07	530-540	550-570

MOONG:

A bearish sentiment was seen in Moong spot prices during the week though arrivals were steady to lower side. Government has taken import initiatives to improve the present short supply situation in pulses. At the same time, NAFED scraped its 1,60,000 tonnes of Yellow Peas import plans this week due to poor responses, but it will continue with its overall program and look for imports. 90,000 tonnes pulses already reached the ports recently. So, prices are likely to prevail steady with slight bearish undertone in coming days due to anticipated increased arrivals in the market.

Latest prices in Delhi (Rs/qt.)

Date	Pedishewa(Delhi)	Indore
19.05.07	3200	2900
26.05.07	2800	2600

Prices at Secondary Centres (Rs/qt)

Centres	26.05.07	19.05.07
Latur	NA	NA
Jalna	2500	2700
Akola	2600	2700
Kanpur	2800	3000
Indore	2600	2900

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

Date	Burmese Pokako	Burmese Annashewa	Burmese Pedishwar
19.05.07	NA	680	680
26.05.07	NA	NA	680

CHICKPEAS:

Chana spot markets witnessed sentiment with bearish under tone amidst the steady arrivals during the week. Prices opened steady on the first day, but after that it went down continuously due to very low demand but at the end of the week it recovered little bit on the back of slight increased buying interest at lower level. This week, Government decided to distribute pulses and edible oils through PDS at subsidized rates to those living below poverty line. Though, NAFED scraped its 1,60,000 tonnes of Yellow Peas import plans this week due to poor responses, but it will continue with its overall program and look for imports. At the same time 89,756 MT of pulses reached in Mumbai and Kolkata port recently and NCDEX and MCX combined stock also swelled to 32,751 MT. Thus,

Chana prices are expected to remain steady to weak in the coming week due to cautious trading in anticipation of increase in supply of imported pulses.

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

Date	Delhi (Rajasthan)	Indore (Kantewala)
21.04.07	2200	2250
22.05.07	2175	2200
23.05.07	2135	2150
24.05.07	2150	2100
25.05.07	2200	2210
26.05.07	2200	2175

Prices in Mandis of Maharashtra/ UP/ Karnataka

Centres	26.05.07	19.05.07
Bikaner (Desi)	2040	2060
Latur (Gauran)	2150	2275
Latur (Annagiri)	NA	2250
Latur (G-12)	2325	2200
Jalna (Gauran)	2000	2160
Jalna (Pila)	2100	2280
Akola (Mixed) motor cut	2100	2270
Akola new (Chapa) motor cut	2175	2345
Kanpur (mandi rates)	2200	2375

MASOOR:

The same week sentiment was observed in the Massor spot market in most part of the week due to little increased arrivals but prices recovered at the end. The arrivals from domestic sources was very low. But buying interest in the week was at lower sides due to import initiatives taken up by Government through different PSUs. In the process huge quantity of pulses reached the port, which would make the prices at steady to slightly lower side in coming days.

Prices in UP/ Indore (Rs/qtl.)

Date	Kanpur	Indore
21.04.07	2700	2000-2500
22.05.07	2680-2690	3000
23.05.07	2660	1500
24.05.07	2680	1000
25.05.07	2700	1500
26.05.07	2700	1500

FIELD PEAS:

Peas prices witnessed a weak sentiment during the week on the back of slight increase in arrivals and the lower buying interest due to psychological pressure of huge peas import. But, on Wednesday, NAFED scraped its 1,60,000 tonnes of Yellow Peas import plans due to poor response.

At the same time, 71,148 MT Peas already reached the Mumbai and Kolkata ports very recently. Thus, prices are expected to stay bearish in coming days due to expected arrivals of the imported peas in the market.

Peas Price Movement (Rs/qt)

Offers	Kanpur New	Mumbai Peas(WC)
19.05.07	2725	1661
26.05.07	2700	1675

NEWS

Pulses and Edible Oil Would Be Distributed through PDS at Subsidized Rates.

In concern over low domestic production and rising international prices, Government decided to distribute pulses and edible oils at subsidized rate to the people those living below poverty level Department of Consumer Affairs and Public Distribution was asked Tuesday by the Committee of Secretaries to formulate a scheme to sell pulses and edible oils through PDS at subsidized rate. It was proposed by the Committee to offer subsidy of Rs.10 per kg on pulses and Rs.10 per litre on edible oil, which will cost the Centre Rs.1,500 Crores annually.

NAFED Scrapped Its Tender to Import 1,60,000 tonnes Yellow Peas

NAFED scrapped its tender to import 1,60,000 tonnes Yellow Peas on Wednesday due to poor response. The tender had been invited earlier on 12th of May to import 1,00,000 tonnes of Yellow Peas of Canadian origin and 60,000 tonnes of the same of European origin. NAFED is likely to issue again similar kind of tender within two weeks according to the NAFED official.

Zero Duty on Import of Pulses Extended to March 31 Next Year

Zero duty on import of pulses has been further extended up to 31st March 2009 as a measure taken by the Government to check the rise in prices of essential commodities.

Futures Market (NCDEX)

Chana

Chana futures continued to bearish on lower buying interest. It recovered little on Thursday, but finally ended with softer tone in the week. The MCX June contract traded in the range of Rs.2226-2079, whereas NCDEX near month

June contract traded in the range Rs.2285-2131. Both volume and open interest decreased considerably.

PRICE DRIVERS:

- Harvest in all states complete, arrivals falling
- Subdued demand from stockists, millers
- 89,756 MT of pulses reached in Mumbai and Kolkata port
- NAFED scrapped its 1,60,000 tonnes of Yellow Peas import plans
- Increasing stocks at MCX, NCDEX warehouses (33,360 tonnes)

OUTLOOK:

Short Term (One Week): Slightly weak on subdued demand, imports of other pulses

Medium Term (One Month): Slightly firm on reducing arrivals, rekindling demand

Long Term (Three Months): Bullish on off-season premiums

Chana (MCX May Contract)

Support-1	2062	Support-2	2020
Resistance-1	2209	Resistance-2	2251
Strategy	Sell on rallies towards resistance levels		

Chana (NCDEX May Contract)

Support-1	2126	Support-2	2095
Resistance-1	2246	Resistance-2	2275
Strategy	Sell on rallies towards resistance levels		

Forex as on 26.05.07

Country/ Continent	Currency	Value in Rupees
USA	Dollar	40.60
European Union	Euro	54.55
Japan	100 Yen	33.46
United Kingdom	GBP	80.65

Latest Vessel Position

Vessel Tai Yong Rosa reached Kolkata port to discharge 5008 tonnes pulses on 21st May.

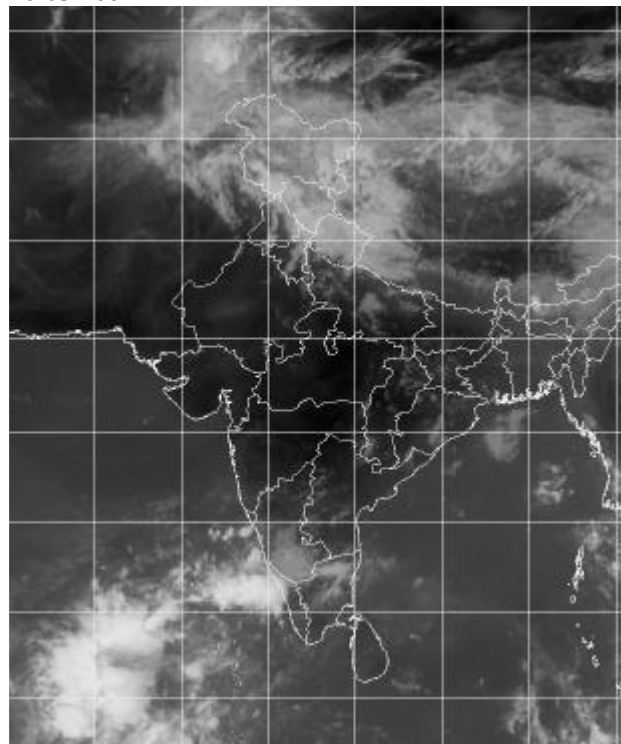
Weather Outlook For The Week Ending On June 2nd, 2007

- Under the influence of the western disturbance, isolated to scattered rain/thundershower activity likely over northwest India and Rajasthan.
- Scattered rain/thundershowers activity likely over northeast India and isolated over of east India.
- Increase in rain/thundershowers activity likely over south peninsula.

Crop -Weather Impact

Commodity	States	Crop Stage	Impact
Urad (Summer)	UP	Vegetative/F lowering	Helpful for the crop
	Bihar	Pod formation	Helpful for the crop
Moong	UP and MP	Flowering/P od formation	Helpful for the crop

Weather Map 26-05-2007



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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