

PULSES DAILY

June 09, 2007

URAD

SPOT MARKET

Urad spot markets experienced a mixed sentiment on Friday though arrivals in the market were in shorter sides. Prices of Burmese FAQ Urad in Mumbai and Delhi, eased by Rs.50 on the back of lower demand in the market. Prices also moved downward by Rs100 in lower buying interest. But prices were higher in Indore and Vijaywada by Rs.150 and Rs.100 due to lower arrivals in the market couple with higher buying interest. NAFED announced its plan to import 35,000-40,000 tonnes pulses before 31st July. Fair Average Quality (FAQ) of Urad (Black Matpe) was one of the commodities, which will be imported with other pulses. Government is continuously importing the commodity, but still the supply status in shorter sides in respect to the demand. Thus, Urad prices are expected to remain steady to slightly firm in the coming week due to shrinking arrivals of the commodity.

Spot Market Prices of Urad

(Rs/qtl)

| Origin/Grade | Center | 08.06.07 | 07.06.07 | Change |
|-----------------|-----------|----------|----------|--------|
| Burma Faq | Mumbai | 2501 | 2551 | -50 |
| Burma Faq | Delhi | 2500 | 2550 | -50 |
| Desi (UP) | Delhi | NA | NA | - |
| Desi (MH) | Delhi | NA | NA | - |
| Desi (new Crop) | Akola | 2675 | 2675 | - |
| Desi (New Crop) | Latur | 2350 | 2350 | - |
| Desi (New Crop) | Jalna | 2500 | 2600 | -100 |
| Desi (New Crop) | Indore | 2750 | 2600 | +150 |
| Desi (New Crop) | Vijaywada | 3100 | 3000 | +100 |
| Desi (New Crop) | Kanpur | 2600 | 2600 | - |

CHANA

SPOT MARKET

Steady to firm sentiment was observed in Chana spot prices on the back of Steady to slightly weak arrivals. Delhi market witnessed only 30-35 Motors of arrivals which was 15-20 Motors shorter than that of the previous day, while Bikaner market experienced steady arrivals of 1500 bags. In most of the spot market, prices were higher by Rs.10-25 on the back slightly decreased arrivals. But prices eased in Bikaner due to lower enquiry in the market. The obstacle of depression for the advancement of Monsoon has cleared and Monsoon is approaching to the greater parts of the country which is favourable for the sowing of Kharif pulses. On Thursday, NAFED announced its plan to import 35,000-40,000 tonnes pulses before 31st July among which are Fair Average Quality (FAQ) of Urad (Black Matpe), Lemon Tur and Moong of the 2007 crop season. So, in this situation, prices are expected to remain range bound with slight negative bias in coming days due to huge stock position in NCDEX and MCX may impact the market in the short run.

Futures Market Commentary

MCX future traded bearish on Friday on the back of increased selling pressure in the market. July contract opened firm at Rs.2271 against the previous close of Rs.2258 per quintal and traded in the range of Rs.2273-2240 per quintal which ultimately ended in red. NCDEX Chana futures also opened slightly firm on Thursday as most active July contract opened at Rs.2309 against the previous close of Rs.2303 per quintal. Prices initially moved upward and tested a high of Rs.2317, but increased selling pressure pushed the prices down and tested a low of Rs.2284 and finally settled with bearish undertone.

Price Drivers

- ✓ 65,719 tonnes of Yellow Peas reached Kolkata and Mumbai port this week.
- ✓ NAFED announced its plan to import 35,000-40,000 tonnes pulses before 31st July
- ✓ NCDEX and MCX Chana stock reached 37,419 tonnes.

Weather

Harvest of Chana crop in all major producing states has been finished.

TECHNICALS

NCDEX -July Contract

Chana is charts are giving mixed signals at this stage. The prices again closed below short term EMAs, which in conjunction with bearish closing Marubozu pattern shows the dominance of bears. MACD is running upwards in negative territory indicating decrease in bearish momentum. Stochastic is running down in normal region, which favors bears.



Support / Resistances:

| Contract | S1 | S2 | PCP | R1 | R2 |
|------------|------|------|------|------|------|
| MCX-July | 2215 | 2200 | 2240 | 2278 | 2298 |
| NCDEX-July | 2258 | 2245 | 2285 | 2315 | 2330 |

Trade Recommendation:

SELL MCX Chana July contract below 2254 with target of 2225 and then 2215 Put stop loss at 2274.

SELL NCDEX Chana July contract below 2296 with target of 2268 and then 2258 Put stop loss at 2314.

Spot Market Prices of Chana

| Origin/Grade | Center | 08.06.07 | 07.06.07 | (Rs/qrtl) Change |
|----------------|---------|----------|-----------|------------------|
| Rajasthan Desi | Delhi | 2210 | 2185 | +25 |
| MP Desi | Delhi | 2220 | 2210 | +10 |
| Kantewala | Indore | 2210 | 2165 | +45 |
| Desi | Kanpur | 2250 | 2225 | +25 |
| Mixed | Akola | 2200 | 2210 | -10 |
| Chapa | Akola | 2290 | 2310 | +20 |
| Gauran | Latur | 2100 | 2100 | - |
| Annagiri | Latur | 2225 | 2225 | - |
| G-12 | Latur | 2150 | 2150 | - |
| Mixed | Latur | 2150 | 2150 | - |
| Gauran | Jalna | 2050 | 2050 | - |
| Pila | Jalna | 2150 | 2150 | +25 |
| Desi | Bikaner | 2065 | 2070-2075 | -10 |

TUR

SPOT MARKET

Steady to slightly weak sentiment was observed in Tur spot market on Friday though arrivals in the market were in the lower sides. Prices of Burmese Lemon Tur in Delhi and Mumbai softened by Rs.25-30 due to lower enquiry in the market. Prices also decreased in Akola by Rs.50 due to lower buying interest. The production in Burma is also lower than the previous year. However, delay in advancement of Monsoon will not affect the sowing of Tur not too much extent, because the Tur crop generally sown little later part of the Kharif season. On Thursday, NAFED announced its plan to import the commodity along with other pulses. Still the supply situation of the commodity in the market is not satisfactory despite the import initiatives. Thus it is expected that in the short run Tur prices will remain slightly upside bias until the supply situation improves through imported commodity.

Spot Market Prices of Tur

(Rs/qtl)

| Origin/Grade | Center | 08.06.07 | 07.06.07 | Change |
|---------------------|-----------|-----------|-----------|--------|
| Burmese Lemon (New) | Mumbai | 2371 | 2401 | -30 |
| Burmese Lemon (New) | Delhi | 2375 | 2400 | -25 |
| Maharashtra tur | Delhi | NA | NA | - |
| Karnataka tur | Delhi | NA | NA | - |
| Red tur (New) | Gulbarga | 2400 | 2400 | - |
| Fatka Dall | Gulbarga | 3450 | 3450 | - |
| Red Tur | Latur | 2400 | 2400 | - |
| White Tur | Latur | 2400 | 2400 | - |
| Red | Jalna | 2200-2300 | 2200-2300 | - |
| White | Jalna | 2200-2375 | 2200-2375 | - |
| Red Tur | Indore | 2400 | 2450 | -50 |
| Vidharpatta | Akola | 2400 | 2400 | - |
| Marathwada | Akola | 2385 | 2390 | -5 |
| Red Tur | Vijaywada | 2275 | 2275 | - |

OTHERS MOONG

Steady to firm sentiment was seen in Moong spot market on Friday amidst the steady to slightly lower arrivals in the market. The prices of Pedishewa Moong in Mumbai increased by Rs.76 due to higher buying interest in the market. Prices were higher in Indore and Kanpur by Rs.50 and Rs.150 due to lower arrivals coupled with higher demand. Slight delay of Monsoon will abandoned the chances of early sowing of Moong in Kharif. This week NAFED announced its plan to import Moong along with Tur and Urad to improve the supply status. Thus, prices are expected to remain range bound with slightly positive bias in the short run until the supply status is improved by the imported pulses in the country.

Spot Market Prices of Moong (Rs/qttl)

| Origin/Grade | Center | 08.06.07 | 07.06.07 |
|--------------------------|--------|----------|----------|
| Kekdi / kishangarh (Raj) | Delhi | NA | NA |
| Pedishewa | Mumbai | 2901 | 2825 |
| Pedishewa | Delhi | 2825 | 2825 |
| Desi | Indore | 2650 | 2600 |
| Desi | Kanpur | 3100 | 2950 |
| Chamki | Jalna | 2600 | 2600 |
| Chamki | Akola | 2675 | 2675 |

FIELD PEAS

A steady sentiment featured the Peas spot prices on Friday though arrivals in the market in shorter sides. Prices of White Canadian Peas gained by Rs.9 whereas White American Peas loosed Rs.25 on Friday. But huge quantities of imported pulses already reached the market. At the same time, one vessel in Kolkata port and another in Mumbai port reached to discharge 65,719 tonnes of Peas. So, prices are expected to remain range bound with slightly bearish bias in the coming days due to heavy import of the commodity.

Spot Market Prices of Pea (Rs/qttl)

| Center | Variety | 08.06.07 | 07.06.07 |
|--------|----------------|----------|----------|
| Mumbai | White.Can | 1700 | 1691 |
| Mumbai | White American | 1725 | 1750 |
| Mumbai | Green Can | 1600 | 1600 |
| Mumbai | Green American | 1650 | 1650 |
| Kanpur | Desi | 1860 | 1840 |

MASOOR

A firm weak sentiment was witnessed in Masoor spot market on Friday though arrivals steady to slightly firm in the market. The prices gained by Rs.20-40 in Kanpur and Indore market on the back of higher demand. Arrivals in the market are gradually increasing which is at par with demand presently. But overall arrivals in the market are still not improved satisfactorily though Government is taking continuous steps to import pulses. So, prices are expected to prevail range bound in coming days due to indecisive nature of trading in the market.

Spot Market Prices of Masoor (Rs/qttl)

| Center | 08.06.07 | 07.06.07 |
|-------------------------------|----------|----------|
| Delhi-MP/kota Line | 2475 | 2475 |
| Delhi- UP/Sikri | 2750 | 2750 |
| Kanpur local mill delivery | 2700 | 2680 |
| Kanpur new- Braeilly Delivery | 2825 | 2800 |
| Kanpur- new Malka Dal | 3000 | 2950 |
| Indore- Masra | 2590 | 2570 |
| Indore- Masoor New | 2580 | 2560 |
| Indore- Medium New | 2490 | 2450 |

PORT WATCH

Vessel Parat arrived at Kolkata port on 3rd June to offload 18,800 tonnes pf Peas. Vessel Frederick Oldendorff arrived Mumbai port on 08.06.07 to discharge 46,919 tonnes Peas in Bulk.

FOREX (08.06.07)

| Country/ Continent | Currency | Value in Rupees |
|--------------------|----------|-----------------|
| USA | Dollar | 41.12 |
| European Union | Euro | 54.99 |
| Japan | 100 Yen | 33.85 |
| United Kingdom | GBP | 80.98 |

International Prices

(\$/ton) (CNF)

| Quality | Latest |
|--|----------|
| Burmese new Lemon (15% or 20% Weeviled) Tur Mumbai/Chennai | 550-560 |
| Burmese FAQ new Tur Mumbai/Chennai | 530-540 |
| Burmese Shwebo Tur Mumbai/Chennai | 520 |
| Burmese FAQ Urad Mumbai/Chennai | 590-600 |
| Burmese SQ Urad Mumbai/Chennai | 630-635 |
| Tanzania Moong Mumbai | 650-660 |
| Burmese Pedishwa Mung Chennai/Mumbai | 700-710 |
| Burmese Anneswar Mung Chennai | NA |
| Burmese Pokako Mung Mumbai/Chennai | NA |
| Chinese above 3.5 mm grade Chennai | Finished |
| Peas (White Canadian) Mumbai | 380-385 |
| Peas (Green Canadian) Mumbai | 380-385 |
| Peas (White American-New)Mumbai/Chennai | 350-355 |
| Peas (Green American-Old)Mumbai | 400 |

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