

## PULSES

June 02-June 09, 2007

### Highlights

#### Spot Markets

- Summer Urad pod formation/maturity stages and Moong are maturity/harvesting stage.
- NAFED invited a tender to import 1, 90,000 tonnes of Yellow Peas
- Central Agriculture Ministry targeted 170 lakh tonnes pulse production in next fiscal year.
- NAFED announced its plan to import 35,000-40,000 tonnes pulses before 31st July.

### Highlights

#### Futures Market

- 3,810 MT Chana was delivered for the NCDEX May contract
- NCDEX and MCX combined stock of Chana reached more than 38,000 MT

## Fundamentals

### URAD:

Urad spot prices witnessed firm sentiment during the week as arrivals fell down drastically. Depression over Arabian Sea delayed the advancement of Monsoon, which delayed the sowing of Urad crop little bit; which will fetch the prices further up. NAFED also 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.

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

Date	Burma FAQ (Delhi)	Burma spot FAQ (Mumbai)
04.06.07	2470	2471
05.06.07	2481	2451
06.06.07	2470	2500
07.06.07	2550	2551
08.06.07	2500	2501
09.06.07	2525	2531

#### Urad Prices in secondary markets

QUALITY	09.06.07	02.06.07
Akola	2675	2500
Indore	2750	2550
Jalna	2500	2400

Date	F A Q	S Q
02.06.07	590	600-630
09.06.07	600-605	645-650

### TUR:

An overall bullish sentiment was seen in Tur spot prices due to steady to weak arrivals in the market during the week. Prices were higher in the middle of the week but eased little bit at the end of the week due to slight decrease in demand. Domestic Tur production is in shorter sides this year. The productions in Myanmar are also lower against 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. NAFED this week also 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.

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

Date	Burma Spot Delhi	Burma Spot Mumbai (New)
04.06.07	2400	2325
05.06.07	2351	2351
06.06.07	2400	2371
07.06.07	2400	2401
08.06.07	2375	2371
09.06.07	2365	2361

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

### Tur Prices in secondary markets

Centres and Grade	09.06.07	02.06.07
Gulbarga - Red Tur	2375	2350
Latur Red tur (Mh Line)	2400	2325
Latur White tur (Mh Line)	2400	2350
Jalna Red	2200-2300	2100-2225
Jalna White	2200-2350	2200-2325
Jalna BDM	2375	2325
Akola Red Vidharbha Line (motor cut)	2400	2360

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

DATE	Burmese FAQ new	Burmese ( Lemon Tur, Weeviled 15%)
02.06.07	530-540	550-560
09.06.07	540-545	575

### MOONG:

Moong spot prices remained slightly firm during the week amidst the weak arrivals in the market. 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.

### Latest prices in Delhi (Rs/qt.)

Date	Pedishewa(Delhi)	Indore
02.06.07	2781	2600
09.06.07	2850	2650

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

Centres	09.06.07	02.06.07
Latur	NA	2500
Jalna	2650	2500
Akola	2675	2600
Kanpur	2950	2850
Indore	2650	2600

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

Date	Burmese Pokako	Burmese Annashewa	Burmese Pedishwar
02.06.07	NA	NA	710
09.06.07	NA	NA	710

### CHICKPEAS:

A mixed sentiment was witnessed in Chana spot market during the week starting from May 4, amidst the steady to weak arrivals in the market. The agitation during the week in the Rajasthan did not affect the arrivals too much but at

the end of the week arrivals increased little bit after ending of that turmoil. Prices opened steady to slightly weak at the beginning of the week, which dipped little bit in the middle. But at the end of the week it recovered due to demand from the millers as demand for dall/flour (split chana/besan) was seen to be picking up just before Monsoon seasons. Price rise in other pulses also helped the recovery in Chana. The advancement of Monsoon was restricted this week due to formation of depression over Arabian Sea, which transformed in to cyclonic storm (GONU) and shifted towards northwest and lashed on Oman. This week NAFED invited a tender to import 1, 90,000 tonnes of Yellow Peas of European and Canadian origin. However NAFED, last month scrapped a tender to import 1, 60,000 tonnes of Yellow peas due to poor response. At the same time NAFED also 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. According to G. M. Vala, Director, Gujarat State Seed Certification Agency, the acreage of pulses is expected to increase in this Kharif season in Gujarat on good remunerative prices. But it will be confirmed after completion of sowing of Kharif pulses in the state. NCDEX and MCX combined stock also increased to more than 37,000 tonnes. But, prices are expected remain range bound with slightly positive bias in the coming week on the back of fresh demand from the millers and steady to weak arrivals in the market.

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

Date	Delhi (Rajasthan)	Indore (Kantewala)
04.06.07	2170	2175-2180
05.06.07	2180	2160-2170
06.06.07	2180	2160
07.06.07	2200	2160-2165
08.06.07	2210	2210
09.06.07	2185	2210

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

Centres	09.06.07	02.06.07
Bikaner (Desi)	2060	2120
Latur (Gauran)	2100	2100
Latur (Annagiri)	2225	2250
Latur (G-12)	2150	2150
Jalna (Gauran)	2050	2060
Jalna (Pila)	2150	2150
Akola (Mixed) motor cut	2200	2180
Akola new (Chapa) motor cut	2300	2280
Kanpur (mandi rates)	2230	2250

### MASOOR:

Masoor spot prices remained steady to slightly firm during the week amidst the steady arrivals. 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.

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

Date	Kanpur	Indore
04.06.07	2670	2570
05.06.07	2690	2560
06.06.07	2680	2570
07.06.07	2680	2560
08.06.07	2700	2580
09.06.07	2700	2580

### FIELD PEAS:

Peas prices experienced a firm sentiment during the week and recovered the decline of the last week though arrivals in the market were steady. Some increased buying interest pushed the prices up in this week. 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.

### Peas Price Movement (Rs/qt)

Offers	Kanpur New	Mumbai Peas(WC)
02.06.07	1840	1661
09.06.07	1850	1700

### NEWS

#### NAFED Floated Tender to Import 1, 90,000 tonnes Yellow Peas

NAFED invited a tender to import 1, 90,000 tonnes of Yellow Peas of European and Canadian origin. However NAFED, last month scrapped a tender to import 1,60,000 tonnes of Yellow peas due to poor response. 70,000 tonnes of Yellow Peas of European Union origin were sought in the lots of 20,000-25,000 tonnes for delivery in July-August. Rest 1, 20,000 tonnes of Yellow Peas was sought of Canadian origin for shipment in June-July and Sept-Nov. **Central Agriculture Ministry Targeted 170 lakh tonnes Pulse Production in Next Fiscal Year.**

Union Agriculture Ministry is targeting to produce 170 lakh tonnes of pulse to meet up the short fall of 15-20 lakh tonnes every year, which are recovered through imports. For the present fiscal year, the target is 150 lakh tonnes, while our domestic demand for pulses is around 170 lakh tonnes every year. According to PK Mishra, Union Secretary of Agriculture, Pulses production will be tried to increase through the 'Food Security Mission' announced recently. Government already increased the MSP of Kharif pulses to encourage the farmers to increase the acreage. The mission will be launched within two months in the states. Government is trying to introduce ICRISAT variety. If it becomes successful, it is expected that yield of Pigeon Peas will rise by 30%.

**NAFED Announced Its Plan to Import 35,000-40,000 tonnes Pulses Before 31st July**

Mr. Alok Ranjan, Managing Director, National Agricultural Co-operative Marketing Federation told on Thursday that NAFED plans to import 35,000-40,000 tonnes of pulses before 31st July. Actually the organization already floated tender before without mentioning quantity to import Urad, Lemon Tur and Moong to deliver from 20th June but not after July 31. According to the document, Fair Average Quality (FAQ) of Urad (Black Matpe), Lemon Tur and Moong will be imported from the 2007 crop. But final decision about the quantity will be depend on the equality and rates offered. Bids should be minimum of 5000 tonnes of each pulse and that should be quoted in US Dollars per tonnes, which will be remained valid up to 5 PM, June 20.

### Futures Market (NCDEX)

#### Chana

Chana futures remained range bound with slight bearish inclination during the week. On Thursday futures traded bullish due to buying interest in the market, which recovered the prices. The most active NCDEX July contract traded in the range of Rs.2316-2268. The MCX July contract traded in the range of Rs.2273-2227. Volume and Open Interest remained steady during the week.

#### PRICE DRIVERS:

- Depleting arrivals in off season.
- Little increase in demand from the millers.
- NAFED floated tender to import 1, 90,000 tonnes yellow peas
- NAFED announced its plan to import 35,000-40,000 tonnes pulses before 31st July
- Increasing stocks at MCX, NCDEX warehouses (38,042 tonnes)

#### OUTLOOK:

**Short Term (One Week):** Steady to slightly firm on improved demand and shrinking supply

**Medium Term (One Month):** Slightly firm on rainy season demand and reducing arrivals

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

#### Chana (MCX June Contract)

Support-1	2210	Support-2	2188
Resistance-1	2323	Resistance-2	2350
<b>Strategy</b>	Buy on dips towards support levels		

#### Chana (NCDEX June Contract)

Support-1	2247	Support-2	2230
Resistance-1	2352	Resistance-2	2375
<b>Strategy</b>	Buy on dips towards support levels		

### Forex as on 09.06.07

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

### Latest Vessel Position

Vessel Parat arrived at Kolkata port on 3<sup>rd</sup> 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.

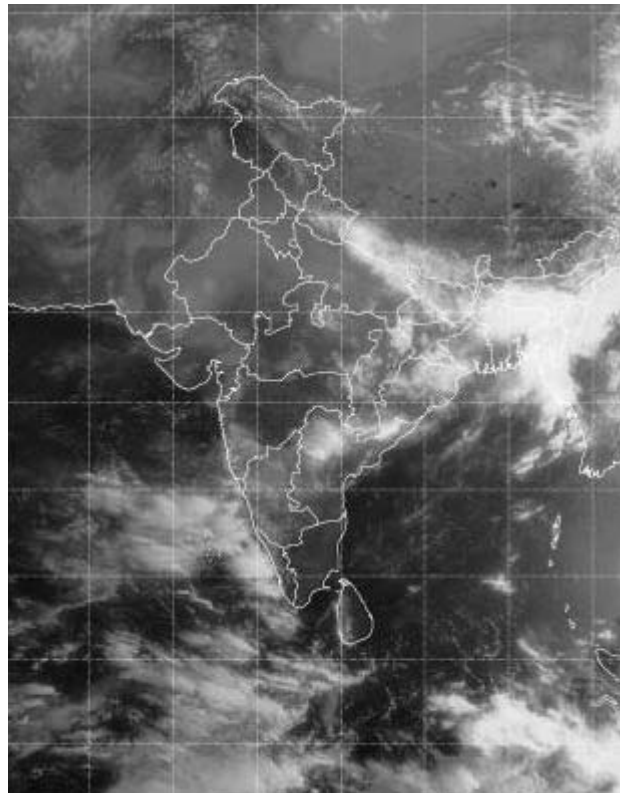
### Weather Outlook For The Week Ending On June 13th, 2007

- Conditions are favourable for onset of monsoon over northeastern states during first half of the week.
- Increase in rainfall activity over south peninsula.
- Rise in day temperature over northwest India and adjoining central India.

### Crop -Weather Impact

Commodity	States	Crop Stage	Impact
Urad (Summer)	UP	Grain formation/Maturity	Expected rain may affect the crop.
	Bihar	Pod formation/ Maturity	Expected rain may affect the crop.
Moong	UP and MP, Bihar, WB,	Maturity/ Harvesting	Dry weather condition will be helpful for the crop.

### Weather Map 09.06.2007



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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