

PULSES

June 30- July07, 2007

Highlights

Spot Markets

- Kharif Moong and Urad at sowing/vegetative stage; land preparation and sowing of Tur in progress.
- Proposal of exemption from vat on rice, wheat and pulses will be discussed later this month
- Honourable Chief Minister of Andhra Pradesh ordered to release 3.7 lakh quintal of pulses immediately
- White Peas is being Mixed with Chana Besan

Highlights

Futures Market

- 3,160 MT Chana was delivered for the NCDEX June contract
- NCDEX and MCX combined stock of Chana reached more than 46,709 MT

Fundamentals

URAD:

Urad spot market remained steady to slightly bearish during the week due lower demand in the market coupled with slight increase in arrivals. Prices opened steadily at the beginning of the week but went down sharply at the end of the week on decrease in demand. The supply of the commodity increased slightly due to arrivals from the summer crop. Sowing of Kharif crop is almost completed in most part of the country. Due to heavy rains in southern and western parts of the country, resowing of crop is needed in some areas because of washing out of seeds from the field. But, Urad prices are expected to remain steady to slightly weak in the coming week due to lower demand and gradual increase in arrivals.

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

Date	Burma FAQ (Delhi)	Burma spot FAQ (Mumbai)
02.07.07	2521	2525
03.07.07	2525	2511
04.07.07	2491	2501
05.07.07	2451	2461
06.07.07	2451	2471
07.07.07	2451	2451

Urad Prices in secondary markets

QUALITY	07.07.07	30.06.07
Akola	2600	2575
Indore	2700	2700
Jalna	2500	2600

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

Date	F A Q	S Q
30.06.07	620-630	700-710
07.07.07	620-630	710-720

TUR:

A steady to firm sentiment was witnessed in Tur spot market during the week on increase in demand coupled with lower arrivals in the market. Prices opened firmly at the beginning of the week, which remained steady in the rest of the week. Steady progress of monsoon will also be helpful for the sowing of Kharif Tur in different parts of the country. But the crop takes longer period to mature. Honourable Chief Minister of Andhra Pradesh, Mr. Y. S. Rajsekhar Reddy expressed his serious concern over rise of prices of essential commodities in the state and ordered to release 3.7 lakh quintals of pulses immediately. Thus, prices are expected to remain firm in the coming days due to lower arrivals and increasing demand in the market.

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

Date	Burma Spot Delhi	Burma Spot Mumbai (New)
02.07.07	2425	2401
03.07.07	2431	2421
04.07.07	2425	2425
05.07.07	2425	2425
06.07.07	2411	2411
07.07.07	2411	2401

Tur Prices in secondary markets

Centres and Grade	07.07.07	30.06.07
Gulbarga - Red Tur	2500	2475
Latur Red tur (Mh Line)	2511	2550
Latur White tur (Mh Line)	2500	2500
Jalna Red	2300-2400	2350-2450
Jalna White	2400-2500	2300-2525
Jalna BDM	2500	2525
Akola Red Vidharbha Line	2520	2540

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

DATE	Burmese FAQ new	Burmese (Lemon Tur, Weeviled 15%)
30.06.07	540-550	570-575
07.07.07	550-560	580-585

MOONG:

Moong spot prices remained weak during the week due to lower demand in the market. But, arrivals were steady in the market. The harvesting of summer Moong is completed in all parts of the country. Sowing of Kharif Moong is also near completion in different tracts. Thus, prices are expected to remain steady to slightly bearish in coming week due sluggish demand and expected increase in arrivals in the market.

Latest prices in Delhi (Rs/qt.)

Date	Pedishewa(Delhi)	Indore
30.06.07	2900	2800
07.07.07	2825	2750

Prices at Secondary Centres (Rs/qt)

Centres	07.07.07	30.06.07
Latur	NA	NA
Jalna	2600	2700
Akola	2625	2775
Kanpur	2650	2700
Indore	2750	2800

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

Date	Ethiopian	Burmese Annashewa	Burmese Pedishwar
30.06.07	685-690	NA	720-730
07.07.07	685-690	NA	700-740

CHICKPEAS:

A mixed sentiment was observed in Chana spot market during the week starting from 2nd July due to shortage of arrivals in the market coupled with demands from the millers. At the same time, demand in the market is descending gradually due to miller's swelled stock position. The prices of Chana opened firmly at the beginning of the week as Rajasthan origin Chana opened in Delhi market at Rs.2400 per quintal against the previous weeks close of Rs.2350 per quintal, but at the end of the week it softened by Rs.25-30 per quintal due decrease in demand. High prices of Chana in recent days are also compelling the manufacturers to compile comparatively cheaper White Peas to make gram flour. Due to cheaper global prices, the Government agencies are importing more yellow peas and it is also a substitute to Chana. According to a pulse importer, the mixing of Desi Chana and White Peas is done at 50-50 ratio in making Besan. During the week, Sri Lanka removed VAT on ten essential food items including gram and green gram to curb the prices, which were valid from July 02. On the same issue, 'The Empowered Committee of State Finance Ministers' in India will meet on July 21 to discuss the proposal to exempt rice, wheat and pulses from Value Added Tax (VAT). Honourable Chief Minister of

Andhra Pradesh, Mr. Y. S. Rajsekhar Reddy also expressed his serious concern over rise of prices of essential commodities in the state and ordered to release 3.7 lakh quintals of pulses immediately. It is expected that Chana will be released very shortly from the stocks to improve the supply situation. So, in the present context, Chana prices are expected to remain range bound in the coming week with the possibilities of decrease in prices a bit at the end of the week due to sluggish demand and expected increase in arrivals from the stock.

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

Date	Delhi (Rajasthan)	Indore (Kantewala)
02.07.07	2400	2400
03.07.07	2360	2380
04.07.07	2375	2400
05.07.07	2350	2370
06.07.07	2360	2380
07.07.07	2351	2365

Prices in Mandis of Maharashtra/ UP/ Karnataka

Centres	07.07.07	30.06.07
Bikaner (Desi)	2200	2250
Latur (Gauran)	2400	2350
Latur (Annagiri)	2550	2500
Latur (G-12)	2500	2450
Jalna (Gauran)	2300	2300
Jalna (Pila)	2350	2400
Akola (Mixed) motor cut	2390	2425
Akola new (Chapa) motor cut	2440	2500
Kanpur (mandi rates)	2370	2400

MASOOR:

Masoor spot market remained slightly bearish during the week due to sluggish demand in the market. Prices opened steadily at the beginning of the week, which decreased little bit at the end of the week. Arrivals in the market were also very lower. The demands from the eastern part of the country were on the lower sides. So, in the present context Masoor prices are likely to remain steady with slightly weak in the coming week due to sluggish demand in the market.

Prices in UP/ Indore (Rs/qtl.)

Date	Kanpur	Indore
02.07.07	2900	2770
03.07.07	2900	2770
04.07.07	2890	2780
05.07.07	2875	2780
06.07.07	2880	2770
07.07.07	2870	2760

FIELD PEAS:

A bullish sentiment was seen in Peas spot market during the week due to lower arrivals in the market coupled with off season demand. Due to cheaper global prices, Government agencies are importing more Yellow Peas in the country. STC, MMTC, PEC and NAFED had been contracted for importing 10.375 lakh tonnes of pulses of which 7.68 tonnes was Yellow Peas and about 82,030 tonnes already reached different ports in the country. Import of 40,000 tonnes of Yellow Peas has also been contracted by the private traders, which will be expected to reach the ports within two months. More Yellow Peas are expected to reach by September in the country. In the same line, 35,649 tonnes of Peas reached Kolkata port during the week. Thus, prices are expected to remain range bound with bearish bias due to expected arrivals of imported peas in the market.

Peas Price Movement (Rs/qt)

Offers	Kanpur New	Mumbai Peas(WC)
30.06.07	1930	Closed
07.07.07	1940	1761

NEWS

Proposal of Exemption from VAT on Rice, Wheat and Pulses will be Discussed Later This Month

According to official sources, to curb the inflation, centre and states will discuss a proposal to exempt rice, wheat and pulses from Value Added Tax (VAT) as 'The Empowered Committee of State Finance Ministers will meet on July 21. Probably they may consider increasing the VAT rate on some other items. Sri Lanka already removed VAT on ten essential food items including gram and green gram to curb the prices, which were valid from July 02.

Honourable Chief Minister of Andhra Pradesh Ordered to Release 3.7 lakh quintal of Pulses Immediately

Honourable Chief Minister of Andhra Pradesh, Mr. Y. S. Rajsekhar Reddy expressed his serious concern over rise of prices of essential commodities in the state and ordered to release 3.7 lakh quintals of pulses immediately.

White Peas is being Mixed with Chana Besan

High prices of Chana in recent days are compelling the manufacturers to compile comparatively cheaper White Peas to make gram flour. Due to cheaper global prices, the Government agencies are importing more yellow peas and it is also a substitute to Chana. According to a pulse importer, the mixing of Desi Chana and White Peas is done at 50-50 ratio in making Besan.

Futures Market (NCDEX)

Chana

A bearish sentiment was witnessed in Chana futures during the week. Future prices decreased by Rs.80-90 over last week due to higher selling pressure in the market. The most active NCDEX August contract traded in the range of Rs.2482-2377. The MCX August contract traded in the range of Rs.2416-2355. Volumes decreased significantly but Open Interest increased marginally.

PRICE DRIVERS:

- Expected increase in arrivals from warehouses.
- Decreasing miller's demands
- Government's continuous effort to import pulses through PSUs.
- Expected increase in acreage in Kharif pulses on remunerative prices and steady progress of monsoon.
- Increasing stocks at MCX, NCDEX warehouses (46,709 tonnes)

OUTLOOK:

Short Term (One Week): Steady to slightly weak on diminishing demand and expected increase in arrivals from warehouses.

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

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

Chana (MCX August Contract)

Support-1	2307	Support-2	2293
Resistance-1	2417	Resistance-2	2438
Strategy	Sell on rallies.		

Chana (NCDEX August Contract)

Support-1	2300	Support-2	2263
Resistance-1	2483	Resistance-2	2512
Strategy	Sell on rallies.		

Forex as on 07.06.07

Country/ Continent	Currency	Value in Rupees
USA	Dollar	40.45
European Union	Euro	54.96
Japan	100 Yen	32.83
United Kingdom	GBP	81.29

Latest Vessel Position

Vessel Swift Superior arrived at Kolakta port on 05.07.07 to offload 19,000 tonnes of Peas. Vessel Durumata reached Kolkata port to discharge 15,649 tonnes Peas on 5th July. Vessel ITT Tiger arrived at Kolkata port on 06.07.07 to offload 1,000 tonnes pulses. Vessel Frederike Oldendorff is expected to arrive at Mumbai port by 09.07.07 to offload 39,631 tonnes Peas in bulk. Another vessel Lily Oldendorff-VI is expected to arrive at Mumbai port by 11th July to offload 30,937 tonnes of bulk Peas.

Weather Outlook For The Week Ending On 12th July, 2007

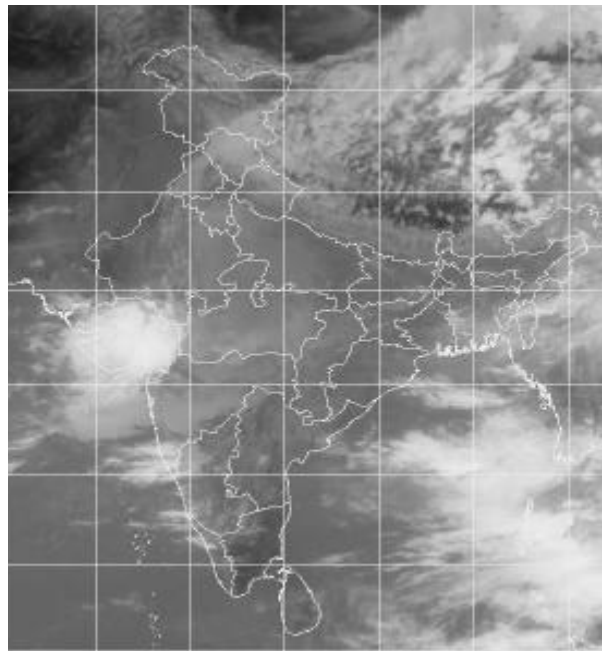
- Scattered to fairly widespread rainfall activity over northwest India.
- Fairly widespread rainfall activity is likely over east & northeast India and west coast.

Crop -Weather Impact

Commodity	States	Crop Stage	Impact
Urad (Kharif)	Haryana, Punjab	Early vegetative	Expected rains will be helpful for the crop.
	AP, MP, Chhattish arh,Raja sthan	Sowing	Expected rains will be helpful for the crop.
Moong (Kharif)	Haryana, Punjab	Early vegetative	Expected rains will be helpful for the crop.
	Maharast ra, Rajastha n, AP	Sowing	Expected rains will be helpful for the crop.
Tur (Kharif)	WB, Assam, Punjab, Maharast ra, Gujarat, MP, Karnatak a	Land preparation/ Sowing	Rain in WB, Assam, Maharashtra will be beneficial

Weather Map

07.07.2007



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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