

## PULSES

July 21- July 28, 2007

### Highlights

#### Spot Markets

- MMTC plans to sell 6,250 tonnes pulses in domestic market
- Kharif pulses output has been threatened by weak phase of monsoon

### Highlights

#### Futures Market

- 3,380 MT Chana was delivered for the NCDEX July contract
- NCDEX and MCX combined stock of Chana reached more than 42,282 MT

## Fundamentals

### URAD:

A bearish sentiment was witnessed in Urad spot market during the week amidst the steady arrivals in the market. The demand for the commodity during the week remained subdued. Prices opened steady at the beginning of the week, but fell down continuously due to lower demand in the market. But, The Kharif pulses are already in moisture stress condition and if the dry spells continues for another week in northern and central parts of the country, the short duration pulses like Urad and Moong will be affected adversely due to moisture stress condition. At the same time, MMTC invited tenders to sell 800 tonnes Urad during the week. But, Urad prices are expected to remain range bound with slight bearish inclination in the coming week due to lower demand and expected slight increase in arrivals.

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

Date	Burma FAQ (Delhi)	Burma spot FAQ (Mumbai)
23.07.07	2461	2451
24.07.07	2451	2461
25.07.07	2451	2421
26.07.07	2441	2425
27.07.07	2431	2401
28.07.07	2401	2401

#### Urad Prices in secondary markets

QUALITY	28.07.07	21.07.07
Akola	2525	2525
Indore	2650	2700
Jalna	2600	2700

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

Date	F A Q (Mumbai)	S Q(Mumbai)
21.07.07	610-620	700-740
28.07.07	610-620	700-720

### TUR:

A bullish sentiment was observed in Tur spot market during the week due to weak arrivals in the market. Prices opened firm at the beginning of the week and continued, which decreased down slightly at the end of week due slight subdued demand. But, the arrivals in the market were very much lower due to off season. But, during the week, MMTC offered bids to sell 3,350 tonnes of imported Tur to improve the supply status in the market. But, prices are expected to remain range bound with slight firm inclination due good demand in the market, with some chance of correction due to expected arrivals of imported Tur in the market.

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

Date	Burma Spot Delhi	Burma Spot Mumbai (New)
23.07.07	2481	2501
24.07.07	2521	2521
25.07.07	2511	2521
26.07.07	2511	2501
27.07.07	2491	2481
28.07.07	2461	2475

### Tur Prices in secondary markets

Centres and Grade	28.07.07	21.07.07
Gulbarga - Red Tur	2650	2650
Latur Red tur (Mh Line)	2650	Closed
Latur White tur (Mh Line)	2700	Closed
Jalna Red	2400-2500	2400--2500
Jalna White	2500-2600	2500-2625
Jalna BDM	2600	2625
Akola Red Vidharbha Line	2630	2650

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

DATE	Burmese FAQ new	Burmese ( Lemon Tur, Weeviled 15%)
21.07.07	560-570	600-610
28.07.07	580-590	600-610

### MOONG:

Moong spot prices remained steady to slightly weak during the week amidst the steady arrivals in the market, but demand remained little subdued. As it is reported that Kharif Moong is in water stress condition in northern and central part of the country due to weak phase of monsoon, the production may get affected if it continues another week. At the same time, MMTC offered bids to sell 100 tonnes Moong to improve the supply situation. Thus, prices are expected to remain range bound with slightly weak bias due to in the coming week due to subdued demand and expected increase in arrivals.

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

Date	Pedishewa(Delhi)	Indore
21.07.07	2811	2700
28.07.07	2751	2650

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

Centres	28.07.07	21.07.07
Latur	2200	Closed
Jalna	2600	2750
Akola	2400	2650
Kanpur	2300	2500
Indore	2650	2700

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

Date	Ethiopian	Burmese Annashewa	Burmese Pedishwar
21.07.07	680-685	NA	700-740
28.07.07	680-685	580-590	700-730

### CHICKPEAS:

Chana spot prices remained weak during the week starting from 23rd July, though arrivals were steady in the market. The deterioration of quality of Chana due to attack of stored grain pest (Dank), particularly in Chana of MP origin, pushed the prices down in Chana market. Weak sentiment in other pulses also affected the Chana prices in the spot

market. At the same time, two vessels reached in Kolkata port and one vessel in Mumbai port during the week to offload 69,166 tonnes of Peas, which is a cheap alternative of Chana. In addition, MMTC offered bid to sell 2,000 tonnes of Dun Peas during the week. It is also making bearish impact on Chana spot prices. The prices opened weak at the beginning of the week in Delhi market, improved little bit at the middle, but again decreased at the end due to lower buying interest in the market, which ended Rs.50-55 per quintal down against the last week's prices of Rs.2370-80 per quintal. The prices in the Bikaner market also fell by Rs.60-65 per quintal during the week in comparison to last week's price level of Rs.2190-2200 per quintal. The NCDEX and MCX combined stock is still at higher level at 42,473 tonnes as July delivery from NCDEX were only 3,380 tonnes. Thus, in the present context, Chana prices are expected to remain range bound with slightly bearish bias in the coming week due to lower buying interest in the market due to deterioration of quality of Chana in the market.

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

Date	Delhi (Rajasthan)	Indore (Kantewala)
23.07.07	2325	2340
24.07.07	2330	2350
25.07.07	2345	2360
26.07.07	2345	2380
27.07.07	2325	2360
28.07.07	2310	2340

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

Centres	28.07.07	21.07.07
Bikaner (Desi)	2115	2180
Latur (Gauran)	2400	Closed
Latur (Annagiri)	2600	Closed
Latur (G-12)	2500	Closed
Jalna (Gauran)	2250	2300
Jalna (Pila)	2350	2400
Akola (Mixed) motor cut	2380	2450
Akola new (Chapa) motor cut	2415	2520
Kanpur (mandi rates)	2300	2350

### MASOOR:

Masoor spot market remained steady during the week with exception of slight bullish sentiment in Delhi market due to better demand. The arrivals in the market were also steady during the week. Prices opened slightly firm at the beginning of the week but decreased down at the end of the week as demand decreased little bit. Thus, Masoor prices are likely to remain range bound with slight bearish inclination in the coming week due to little sluggish demand in the market.

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

Date	Kanpur	Indore
23.07.07	2925	2870
24.07.07	2925	2850
25.07.07	2925	2830
26.07.07	2925	2840
27.07.07	2910	2840
28.07.07	2915	2840

### FIELD PEAS:

A weak sentiment was seen in Peas spot market during the week due to increase in arrivals. During the week, two vessels reached in Kolkata port and one vessel in Mumbai port to offload 69,166 tonnes of Peas, which is a cheap alternative of Chana. In addition, MMTC offered bid to sell 2,000 tonnes of Dun Peas during the week. Thus, prices are expected to remain slightly bearish due to arrivals of imported Peas in the market.

### Peas Price Movement (Rs/qt)

Offers	Kanpur New	Mumbai Peas(WC)
21.07.07	1925	1681
28.07.07	1910	1681

### NEWS

#### MMTC Plans to Sell 6,250 tonnes Pulses in Domestic Market

MMTC offered bids to sell 6,250 tonnes of imported pulses to improve the supply status in the domestic market. The agency invited bids for 3,350 tonnes of Tur, 800 tonnes of Urad and 100 tonnes of Moong, which will be closed on Wednesday. In addition, bids for 2,000 tonnes of Dun Peas has also been offered, which would close on July 31.

#### Pulses Output has been Threatened by Weak Phase of Monsoon

India's annual monsoon rains entered a weak phase in mid-July. In the Kharif season, 37 per cent of country's total pulses are cultivated, which is 48 per cent of the total area under cultivation of pulses. The Kharif pulses are already in moisture stress condition and if the dry spells continues for another week in northern and central parts of the country, the short duration pulses like Urad and Moong will be affected adversely due to moisture stress condition.

### Futures Market (NCDEX)

#### Chana

A bearish sentiment was witnessed in Chana futures due to heavy selling pressure in the market during the week.

Prices opened with bearish note at the beginning of the week at NCDEX, but recovered little bit for couple of days due to buying at lower level. But it went down sharply in the rest of the week and loose Rs.113 per quintal against the last week's close of Rs.2336 per quintal. The most active NCDEX August contract traded in the range of Rs.2334-2216. The MCX August contract traded in the range of Rs.2355-2253. Volumes decreased significantly, while Open Interest decreased marginally.

### PRICE DRIVERS:

- Government's continuous effort to import pulses through PSUs.
- Lack of demand due to deterioration in quality (Dank) of Chana, particularly of MP origin.
- Supply was steady to slightly weak
- Swelled stocks at MCX, NCDEX warehouses (42,282 tonnes)

### OUTLOOK:

**Short Term (One Week):** Slightly weak on lower buying interest due to deterioration in quality of Chana of MP origin.

**Medium Term (One Month):** Slightly firm on forth coming festival demand

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

#### Chana (MCX August Contract)

Support-1	2230	Support-2	2217
Resistance-1	2343	Resistance-2	2354
<b>Strategy</b>	Sell on rallies.		

#### Chana (NCDEX August Contract)

Support-1	2185	Support-2	2170
Resistance-1	2319	Resistance-2	2336
<b>Strategy</b>	Sell on rallies.		

**Forex as on 28.06.07**

Country/ Continent	Currency	Value in Rupees
USA	Dollar	40.43
European Union	Euro	55.55
Japan	100 Yen	33.14
United Kingdom	GBP	82.59

**Latest Vessel Position**

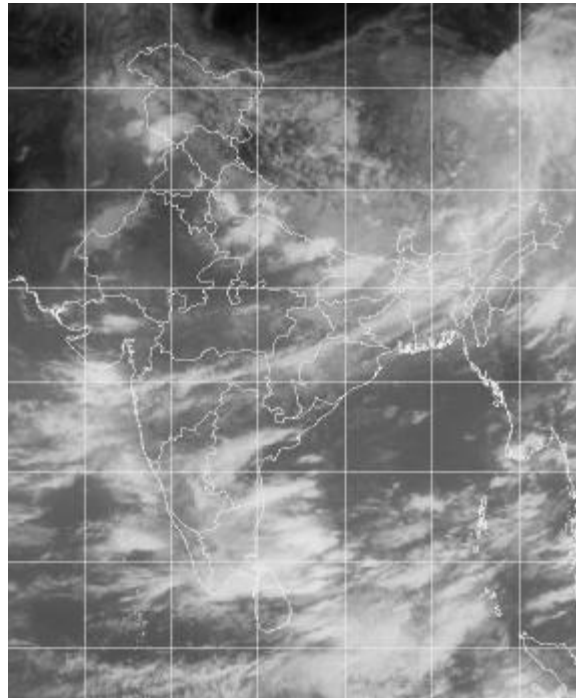
Vessel Afea reached Kolkata port on 23.07.07 to discharge 20,499 tonnes of Peas. Vessel TCI Xps arrived at Kolkata port on 23.07.07 to offload 3,687 tonnes pulses. Vessel Bright Coral reached Kolkata port on 22.07.07 to offload 22,000 tonnes peas. Vessel Sanko Eternal arrived at Mumbai port by 27th July to discharge 26,666 tonnes bulk peas.

**Weather Outlook For The Week Ending On 1<sup>st</sup> Aug, 2007**

- Numerical Weather Prediction models suggest that southwest monsoon is likely to remain in a weak phase during the week. Hence, rainfall activity over central and adjoining peninsular & northwest India will remain subdued during the same period.
- Enhanced rainfall activity with isolated heavy to very heavy fall is likely to continue over northeastern states, Sub-Himalayan West Bengal and Sikkim and Bihar during the week.
- Increase in rainfall activity along the west coast towards 2nd half of the week.

**Crop -Weather Impact**

Commodity	States	Crop Stage	Impact
<b>Urad</b> (Kharif)	Haryana, Punjab, AP, MP	Vegetative/flowering	Expected isolated rains will be helpful for the crop -do-
	Chhattish arh, Rajasthan, TN	Sowing	
<b>Moong</b> (Kharif)	Haryana, Punjab, Maharashtra, AP	Vegetative/flowering	Expected isolated rains will be helpful for the crop -do-
	Rajasthan, TN	Sowing	
<b>Tur</b> (Kharif)	Punjab, TN	Land preparation/Sowing	Expected isolated rains will be helpful for the
	WB, Assam, Haryana, Orissa and Bihar	Seedling/vegetative	Expected isolated rains will be helpful for the

**Weather Map****28.07.2007****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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