

PULSES

July07-July14, 2007

Highlights

Spot Markets

- MMTC Floated Tender to Import 31,000 tonnes of Various Pulses
- MMTC Invited Bids to Sell Imported Urad and Tur
- Spingid Caterpillar Attack on Moong in North Karnataka
- Andhra Pradesh Government Decided to Increase MSP for Pulses

Highlights

Futures Market

- 3,160 MT Chana was delivered for the NCDEX June contract
- NCDEX and MCX combined stock of Chana reached more than 45,417 MT

Fundamentals

URAD:

A weak sentiment was observed in Urad spot market during the week due lower demand in the market. Prices opened weak at the beginning of the week but recovered little bit due lower arrivals at the end of the week. During the week, Andhra Pradesh Government has decided to increase the Minimum Support Prices (MSP) of Kharif pulses (Urad, Moong and Tur) this season to Rs. 2,000 per quintal from Rs. 1,750 per quintal. AP government also decided to increase the credit this Kharif season to Rs. 2,400 crores against Rs. 1,800 crores last season. At the same time, MMTC has invited a tender to sell 1,900 tonnes Urad, which had been imported from Myanmar from the current crop. But, Urad prices are expected to remain range bound with slightly weak in the coming week due to lower demand. But lower arrivals in the market may guide the price reversal at the end of the week.

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

Date	Burma FAQ (Delhi)	Burma spot FAQ (Mumbai)
09.07.07	2441	2451
10.07.07	2431	2431
11.07.07	2411	2401
12.07.07	2441	2411
13.07.07	2441	2451
14.07.07	2501	2501

Urad Prices in secondary markets

QUALITY	14.07.07	07.07.07
Akola	2500	2600
Indore	Closed	2700
Jalna	Closed	2500

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

Date	F A Q	S Q
07.07.07	620-630	710-720
14.07.07	610-620	710-725

TUR:

A steady to slightly weak sentiment was witnessed in Tur spot market during the week due to lower buying interest in the market and also due to price correction after continuous increase in last few weeks. But prices again recovered at the end of the week due to lower arrivals in the market. During the week, MMTC has invited a tender to sell 2,500 tonnes Tur, which had been imported from Myanmar from the current crop. Central Government has also aimed at increasing the productivity of pulses by 10-15 per cent through application of modern technologies including to enhance the seed replacement rate by 25-30 per cent, launching a national campaign to promote seed treatment with fungicides and Rhizobium culture etc. But, prices are expected to remain slightly firm in the coming days due to lower arrivals and off season demand in the market.

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

Date	Burma Spot Delhi	Burma Spot Mumbai (New)
09.07.07	2411	2401
10.07.07	2401	2381
11.07.07	2401	2381
12.07.07	2425	2401
13.07.07	2451	2451
14.07.07	2475	2471

Tur Prices in secondary markets

Centres and Grade	14.07.07	07.07.07
Gulbarga - Red Tur	Closed	2500
Latur Red tur (Mh Line)	Closed	2511
Latur White tur (Mh Line)	Closed	2500
Jalna Red	Closed	2300-2400
Jalna White	Closed	2400-2500
Jalna BDM	Closed	2500
Akola Red Vidharbha Line	2555	2520

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

DATE	Burmese FAQ new	Burmese (Lemon Tur, Weeviled 15%)
07.07.07	550-560	580-585
14.07.07	550-560	585-590

MOONG:

Moong spot prices remained bearish during the week due to lower demand in the market. But, arrivals were steady to slightly weak in the market. According to news sources, Spingid Caterpillar has damaged approximately 55,000 ha of Green gram cultivation in Bijapur and Bagalkot districts in North Karnataka, which is over 30 per cent of total cultivation. The caterpillar already defoliated about 50 to 60 per cent of the total plants under cultivation. But, prices are expected to remain range bound with slight bearish inclination in the coming week due sluggish demand in the market.

Latest prices in Delhi (Rs/qt.)

Date	Pedishewa(Delhi)	Indore
07.07.07	2825	2750
14.07.07	2825	2550

Prices at Secondary Centres (Rs/qt)

Centres	14.07.07	07.07.07
Latur	Closed	NA
Jalna	Closed	2600
Akola	2600	2625
Kanpur	2500	2650
Indore	Closed	2750

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

Date	Ethiopian	Burmese Annashewa	Burmese Pedishwar
07.07.07	685-690	NA	700-740
14.07.07	680-685	NA	700-740

CHICKPEAS:

Chana spot market remained steady during the week starting from 9th July. The prices opened steady at the beginning of the week, which fell down by Rs.20-25 to Rs.2335 per quintal in the Delhi market at the middle due to weak demand. But continuous fall in arrivals helped the prices recover again at the end of the week at Rs.2370-2380 per quintal level. Due to very low arrivals in the

Bikaner Market, no trade has been done for couple days during the week. At the same time fresh demand are also coming in the market as buyers are gradually getting interest over buying at lower level before festival demands push up the prices further. MMTC floated a tender to import 10,000 tonnes Chana. The Agriculture Ministry has chalked out a plan to increase the pulses production in the country through intercropping of pulses with cereals, cotton, sugarcane and oilseeds, and targeting rice fallows of southern, eastern and central states; especially in Maharastra, Gujarat, Madhya Pradesh, Karnataka, Andhra Pradesh and Tamil Nadu. But, in the present context, Chana prices are expected to remain range bound with slightly bearish bias in the coming week due to anticipated increase in arrivals from the warehouses.

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

Date	Delhi (Rajasthan)	Indore (Kantewala)
09.07.07	2350	2360
10.07.07	2335	2340
11.07.07	2356	2360
12.07.07	2375	2380
13.07.07	2380	2400
14.07.07	2365	Closed

Prices in Mandis of Maharashtra/ UP/ Karnataka

Centres	14.07.07	07.07.07
Bikaner (Desi)	2170	2200
Latur (Gauran)	Closed	2400
Latur (Annagiri)	Closed	2550
Latur (G-12)	Closed	2500
Jalna (Gauran)	Closed	2300
Jalna (Pila)	Closed	2350
Akola (Mixed) motor cut	2430	2390
Akola new (Chapa) motor cut	2510	2440
Kanpur (mandi rates)	2375	2370

MASOOR:

Masoor spot market remained steady to slightly weak during the week due to sluggish demand in the market. But at the end of the week, prices recovered well due to fresh demands in the market. Lower arrivals due to off season also helped in price rises at the end of the week. But in Delhi market, prices remained steady to firm due to good demand. So, in the present context Masoor prices are likely to remain steady to slightly firm in the coming week due to better demand and lower arrivals in the market.

Prices in UP/ Indore (Rs/qtl.)

Date	Kanpur	Indore
09.07.07	2850	2770
10.07.07	2850	2730
11.07.07	2850	2740
12.07.07	2850	2770
13.07.07	2890	2780
14.07.07	2890	Closed

FIELD PEAS:

A bearish sentiment was seen in Peas spot market during the week due to increase in arrivals in the market. Due to cheaper global prices, Government agencies are importing more Yellow Peas in the country. One vessel each in Mumbai and Kolkata already reached during the week to offload almost 45,000 tonnes peas together. Another vessel is expected to come very shortly in Mumbai. Thus, prices are expected to remain slightly bearish due arrivals of imported Peas in the market.

Peas Price Movement (Rs/qt)

Offers	Kanpur New	Mumbai Peas(WC)
07.07.07	1940	1761
14.07.07	1950	1711

NEWS

MMTC Floated Tender to Import 31,000 tonnes of Various Pulses

MMTC floated a tender to import 10,000 tonnes each of Red Lentil (Masoor) and Chana, 5,000 tonnes Dun Peas and 6,000 tonnes Lemon Tur.

MMTC Invited Bids to Sell Imported Urad and Tur

MMTC has invited a tender to sell 1,900 tonnes Urad and 2,500 tonnes Tur, which had been imported from Myanmar from the current crop. According to tender document, both these pulses will be offered ex-warehouses at Vashi, Navi Mumbai, and at Dighoda and Jasai in Raigad district.

Andhra Pradesh Government Decided to Increase MSP for Pulses

According to news sources, in the line of Central Government's initiatives to increase the pulses production in the country, Andhra Pradesh Government has decided to increase the Minimum Support Prices (MSP) of Kharif pulses (Urad, Moong and Tur) this season to Rs. 2,000 per quintal from Rs. 1,750 per quintal. AP government also decided to increase the credit this Kharif season to Rs. 2,400 crores against Rs. 1,800 crores last season.

Spingid Caterpillar Attack on Moong in North Karnataka

According to news sources, Spingid Caterpillar has damaged approximately 55,000 ha of Green gram cultivation in Bijapur and Bagalkot districts in North Karnataka, which is over 30 per cent of total cultivation. The caterpillar already defoliated about 50 to 60 per cent and it can damage cent per cent if it will not be controlled.

Futures Market (NCDEX)

Chana

A steady to slightly weak sentiment was witnessed in Chana futures during the week. Prices remained lower at

the first half of the week, but on increased buying it recovered on Thursday. But again profit booking at the higher level pushed the prices down little bit at the end of the week. The most active NCDEX August contract traded in the range of Rs.2397-2327. The MCX August contract traded in the range of Rs.2376-2304. Volumes and Open Interest remained steady at high level.

PRICE DRIVERS:

- Expected increase in arrivals from warehouses.
- 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 (45,417 tonnes)

OUTLOOK:

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

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	2289	Support-2	2266
Resistance-1	2412	Resistance-2	2426
Strategy	Sell on rallies.		

Chana (NCDEX August Contract)

Support-1	2286	Support-2	2267
Resistance-1	2441	Resistance-2	2459
Strategy	Sell on rallies.		

Forex as on 14.06.07

Country/ Continent	Currency	Value in Rupees
USA	Dollar	40.42
European Union	Euro	54.74
Japan	100 Yen	33.05
United Kingdom	GBP	82.08

Latest Vessel Position

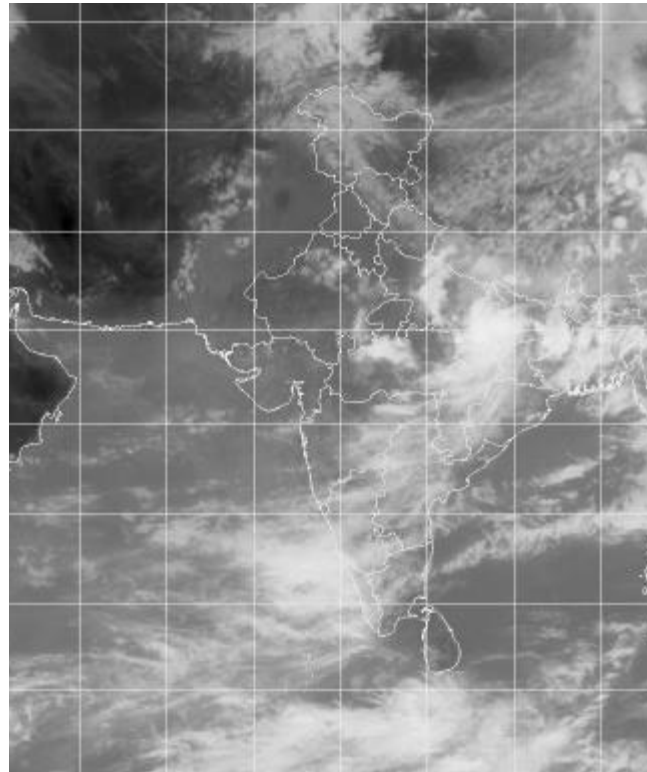
Vessel Frederike Oldendorff arrived at Mumbai port by 13.07.07 to offload 39,631 tonnes Peas in bulk. Another vessel Lily Oldendorff-VI arrived at Mumbai port on 11th July to offload 30,937 tonnes of bulk Peas. Vessel Eid-e- Mostafa-VI is expected to reach Mumbai port by 14.07.07 to discharge 3,500 tonnes pulses. Vessel Swift Superior reached Kolkata port to offload 14,000 tonnes Peas on 11.07.07.

Weather Outlook For The Week Ending On 18th July, 2007

- A low pressure area is likely to form over North Bay of Bengal around 13th. Under its influence, increase in rainfall activity likely over east & adjoining central India during 13th-15th.
- Increase in rainfall activity over plains of northwest India.

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, Rajasthan	Sowing	Expected rains will be helpful for the crop.
Moong (Kharif)	Haryana, Punjab	Early vegetative	Expected rains will be helpful for the crop.
	Maharashtra, Rajasthan, AP	Sowing	Expected rains will be helpful for the crop.
Tur (Kharif)	WB, Assam, Punjab, Maharashtra, Gujarat, MP, Karnataka	Land preparation/ Sowing	Rain in WB, Assam, Maharashtra will be beneficial

Weather Map**14.07.2007****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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