

## PULSES

Aug 25-Sept 01, 2007

### Highlights

#### Spot Markets

- Union cabinet extended anti hoarding drive on wheat and pulses till February, 2008
- PEC invited tender to import 8,000 tonnes of pulses
- Chickpea production may increase by almost 33 per cent in Canada

### Highlights

#### Futures Market

- 3,380 MT Chana was delivered for the NCDEX July contract
- NCDEX and MCX combined stock of Chana reached more than 22,651 MT

## Fundamentals

### URAD:

A weak sentiment was witnessed in Urad spot market during the week. Prices in Delhi eased by Rs.75-100 per quintal against the last week prices of Rs.2450-2500 per quintal, whereas prices were slightly weak in Mumbai at Rs.2260-2300 per quintal. On lower demand in the market, prices were also weak in other centres like Indore, Jalna and Akola. The arrivals from the fresh crop have already started in few centres. Full fledged arrivals are expected to reach the market by early September. Moreover, tender invited by PEC to sell 5,759 tonnes of imported Urad also pushed the prices down in the spot market. Thus, prices are expected to remain steady to weak in coming days due to increase in arrivals and lower demand in the market.

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

Date	Burma FAQ (Delhi)	Burma spot FAQ (Mumbai)
27.08.07	2350	2275
28.08.07	Closed	Closed
29.08.07	2375	2301
30.08.07	2350	2271
31.08.07	2340	2261
01.09.07	2375	2275

#### Urad Prices in secondary markets

QUALITY	01.09.07	25.08.07
Akola	2350	2450
Indore	2600(New)	2500
Jalna	2000-2200	2000-2300

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

Date	F A Q (Mumbai)	S Q (Mumbai)
25.08.07	570-580	640-650
01.09.07	580	610

### TUR:

Tur spot market remained steady to weak during the week in most of the centres across the country. Subdued demand in the market pushed the prices slight lower sides. The tender invited by PEC last week to sell 1,932 tonnes of imported Tur in the market also put the prices down. During the period, the prices of Burmese Lemon Tur in Delhi and Mumbai market traded between Rs.2450-2475 per quintal and Rs.2330-2300 per quintal respectively. The prices were also steady to weak in Latur, Jalna and Akola market. This year, the acreage of Kharif Tur up to 17th August has increase to 34.52 lakh hectares against 33.02 lakh hectares last year. But arrivals are expected to come in the market by November-December as Tur is long duration crop. Thus, in the present situation, prices are expected to remain mostly range bound with slight weak inclination in coming days due to lower demand in the market.

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

Date	Burma Spot Delhi	Burma Spot Mumbai (New)
27.08.07	2475	2300
28.08.07	Closed	closed
29.08.07	2475	2330
30.08.07	2450	2321
31.08.07	2450	2321
01.09.07	2450	2321

#### Tur Prices in secondary markets

Centres and Grade	01.09.07	25.08.07
Gulbarga - Red Tur	2620	2630
Latur Red tur (Mh Line)	2600	Closed
Latur White tur (Mh Line)	2625	Closed
Jalna Red	2350-2450	2300-2400
Jalna White	2400-2500	2400-2500
Jalna BDM	2500	2500

Akola Red Vidharbha Line	2545	2530
--------------------------	------	------

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

DATE	Burmese FAQ new	Burmese ( Lemon Tur, Weeviled 15%)
25.08.07	NA	NA
01.09.07	550-560	580

#### MOONG:

A weak sentiment witnessed in Moong spot prices during the week due to higher arrivals from the fresh crop and lower buying interest in the markets. Up to August 24, the acreage of Kharif pulses increased to 112.85 lakh hectare against 105.05 lakh hectare during the same period last year. So, higher production is expected this year from Kharif crop. Prices of Pedishewa Moong in Mumbai and Delhi market moved around Rs.2550-2400 per quintal and Rs.2700-2600 per quintal respectively. Prices in Indore market were also lower at Rs.2300-2250 per quintal. Demand in the market is lower in the market in these days due to higher arrivals from the fresh crop. Thus, in the present condition, prices are expected to remain bearish in coming week due higher arrivals in the market.

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

Date	Pedishewa(Delhi)	Indore
25.08.07	2700	2200
01.09.07	2600	2275

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

Centres	01.09.07	25.08.07
Latur	2325	Closed
Jalna	1900-2325	2200-2300
Akola	2100-2200	2200-2250
Kanpur	2100-2500	2200-2500
Indore	2275	2200

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

Date	Ethiopian	Burmese Annashewa	Burmese Pedishewa
25.08.07	NA	560-570	NA
01.09.07	NA	550	NA

#### CHICKPEAS:

A weak sentiment was observed in Chana spot markets around the board during the week starting from 27th August. Mainly lower demand in the market pushed the prices down in most of the centres. The average prices of Rajasthan origin Chana in Delhi market eased to Rs.2330-2290 per quintal against the previous week's prices of Rs.2350-2360 per quintal, whereas in Bikaner market, prices moved around Rs.2090-2100 per quintal compare to last week's prices of Rs.2180-2200 per quintal. Average arrivals in Delhi market again dropped around 25-30 motors against 35-40 motors of the previous week. But arrivals in Bikaner market improved slightly at 200-300 bags against last week's 200 bags. Up to August 30, the acreage of Kharif pulses increased to 115.3 lakh hectare against 108.3

lakh hectare during the same period last year. So, higher production is expected this year from Kharif crop. Even arrivals of Moong in most of the centres and Urad in some centres have already started. It is putting some bearish impact over pulse market and Chana prices are also not out of these waves. In an effort to check the rise in prices of wheat and pulses, Union Cabinet extended the anti-hoarding drive on Wheat and Pulses for another six months period from September 1, 2007 to February 29, 2008. Meanwhile, According to Statistics Canada's forecast, chickpea production in Canada may increase to 2,16,900 tonnes this year against last year's production of 1,63,200 tonnes. But International Chickpea market did not reacted too much on this forecast. Moreover, a vessel is expected to arrive at Mumbai port by 05.09.07 to offload 8,800 tonnes of Bulk Peas, which was earlier expected to arrive by 30.08.07. Thus, Chana prices are expected to trade range bound with weak bias in coming days due to sluggish demand in the market.

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

Date	Delhi (Rajasthan)	Indore (Kantewala)
27.08.07	2330	2340
28.08.07	2300	Closed
29.08.07	2330	2335
30.08.07	2290	2330
31.08.07	2315	2330
01.09.07	2315	2330

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

Centres	01.09.07	25.08.07
Bikaner (Desi)	2200	2200
Latur (Gauran)	2300	Closed
Latur (Annagiri)	2500	Closed
Latur (G-12)	2450	Closed
Jalna (Gauran)	2275	2300
Jalna (Pila)	2375	2400
Akola (Mixed) motor cut	2385	2430
Akola new (Chapa) motor cut	2540	2500
Kanpur (mandi rates)	2375	2360

#### MASOOR:

A weak sentiment was observed in Masoor spot market during the week due to subdued demand in the market. Prices decreased continuously during the period. The prices in Delhi market moved around Rs.2825-2800 per quintal and it was around Rs.2800-2660 per quintal in Indore market. In Kanpur market, prices were more or less steady at Rs.2900-2920 per quintal. The average arrivals in Indore market decreased to 800-900 bags against last week's arrivals of 1300-1500 bags. The demand in the market decreased considerably at the end of the week. Thus, prices are expected to remain steady to slightly weak in coming days due to sluggish demand in the market.

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

Date	Kanpur	Indore
27.08.07	2915	2800
28.08.07	Closed	Closed
29.08.07	2910	2800
30.08.07	2910	2790
31.08.07	2900	2750
01.09.07	2900	2750

### FIELD PEAS:

Peas spot market remained more or less steady during the week. Prices of White Canadian Peas in Mumbai remained steady in the range of Rs.1701-1681 per quintal, whereas prices went down by Rs.10-20 per quintal in Kanpur against the last week's prices of Rs.1920-1925 per quintal. The weak sentiment in Chana prices is also creating negative sentiment in Peas prices. The vessel expected to reach Mumbai port by 30.08.07 to offload 8,800 tonnes of Bulk Peas earlier, which is now expected to arrive by 05.09.07. Thus, prices are expected to remain range bound with weak inclination due to expected increase in arrivals and subdued demand in the market.

### Peas Price Movement (Rs/qt)

Offers	Kanpur New	Mumbai Peas(WC)
25.08.07	1920	1671
01.09.07	1900	1691

### NEWS

#### Union Cabinet Extended Anti Hoarding Drive on Wheat and Pulses till February, 2008

In an effort to check the rise in prices of wheat and pulses, Union Cabinet extended the anti-hoarding drive on Wheat and Pulses for another six months period from September 1, 2007 to February 29, 2008. The state governments had been requesting for this extension to the Centre.

#### PEC Invited Tender to Import 8,000 tonnes of Pulses

In an effort to maintain the supply status in the domestic market, PEC plans to import 8,000 tonnes of pulses by October. PEC invited bid to import 4,000 tonnes of Tur, 3,000 tonnes of Masoor (Red Lentil) and 1,000 tonnes of Urad to be delivered at Mumbai port.

#### Chickpea Production May Increase by Almost 33 per cent in Canada

According to Statistics Canada's forecast, chickpea production in Canada may increase to 2,16,900 tonnes this year against last year's production of 1,63,200 tonnes. But International Chickpea market did not reacted too much on this forecast.

#### Acreage of Kharif Pulses Has Increased to 115.3 lakh ha.

Up to August 30, the acreage of Kharif pulses increased to 115.3 lakh hectare against 108.3 lakh hectare during the same period last year.

## Futures Market (NCDEX)

### Chana

Bearish sentiment continued in Chana futures during the week. A continuous downward movement was seen except some positive movement on Friday. Prices fell down significantly during the period. The most active NCDEX October contract traded in the range of Rs.2377-2242 per quintal. The MCX October contract traded in the range of Rs.2367-2252. Volumes and Open Interest increased significantly during the period.

### PRICE DRIVERS:

- Scattered demand in the market.
- Expected arrivals of a vessel in Mumbai port to offload 8,800 tonnes of bulk peas by 05.09.07
- Increase in the acreage of Kharif pulses to 112.85 lakh hectares up to 24th August against 105.05 lakh hectares last year during the same period.
- Increased arrivals of Moong from the fresh crop in most of the market and Urad in few markets
- The MCX and NCDEX combined stock decreased to 22,651 tonnes

### OUTLOOK:

**Short Term (One Week):** Steady to weak due to sluggish demand in the market.

**Medium Term (One Month):** Range bound with slight firm inclination on festival demand

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

### Chana (MCX October Contract)

Support-1	2227	Support-2	2182
Resistance-1	2336	Resistance-2	2353
<b>Strategy</b>	Sell on rallies.		

### Chana (NCDEX October Contract)

Support-1	2216	Support-2	2161
Resistance-1	2346	Resistance-2	2366
<b>Strategy</b>	Sell on rallies.		

## Forex as on 01.09.07

Country/ Continent	Currency	Value in Rupees
USA	Dollar	40.88
European Union	Euro	55.96
Japan	100 Yen	35.23
United Kingdom	GBP	82.55

## Latest Vessel Position

Vessel Vinashin Summer VI is expected to arrive at Mumbai port by 05.09.07 discharge 8,800 tonnes Bulk Peas.

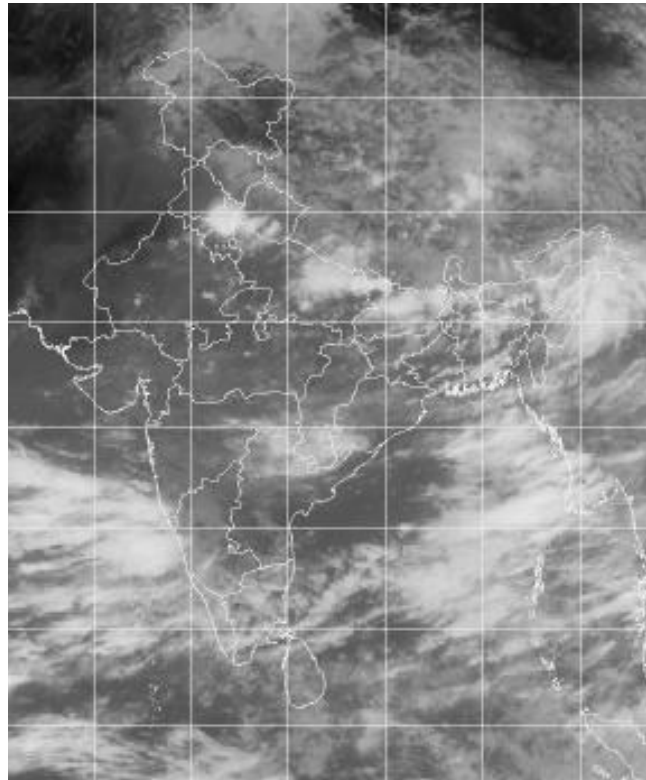
## Weather Outlook for the Week Ending On 5<sup>th</sup> Sept, 2007

- A low pressure area is likely to form over West-Central and adjoining North-West Bay of Bengal around 2nd September. Under its influence, fairly widespread rainfall is likely over Andhra Pradesh and adjoining Orissa up to 3rd September and decrease thereafter. Subsequently, the fairly widespread rainfall with isolated heavy falls is likely over Chhattisgarh and East Madhya Pradesh.
- Fairly widespread rainfall with isolated heavy falls is likely along the west coast and northeastern states.
- Subdued rainfall activity is likely over northwest India and remaining parts of Peninsular India.

## Crop -Weather Impact

Commodity	States	Crop Stage	Impact
<b>Urad</b> (Kharif)	Haryana, Punjab, AP, MP	Flowering/pod formation	Irrigation is needed due to dry weather
	Chhattisgarh, Rajasthan, TN	flowering	Expected rainfall will be helpful
<b>Moong</b> (Kharif)	Haryana, Punjab, Maharashtra, AP	Flowering/maturity	No as such drastic impact
	Rajasthan, TN	Vegetative	Irrigation is needed due to dry weather
<b>Tur</b> (Kharif)	Punjab, TN	Sowing	Irrigation is needed due to dry weather in Punjab
	WB, Assam, Haryana, Orissa and Bihar	vegetative	Expected rainfall will be helpful

## Weather Map 01.09.2007



Source-IMD

## International Highlight

### India's Import Matrix for Burmese Pulses (Tonnes)

Pulses	April,2007
Black Matpe	1,86,467
Mung beans	8,071
Tur whole	17,619
Butter Bean	94
Others	9,893
Total	2,22,144
Other category includes kidney, bamboo, black eye, sultani, gram, chickpea and brown beans	

USDA

### Monthly Total Exports of Burma (qty. in tonnes)

Months	2005	2006	2007
January	37,528	57,603	68,006
February	51,171	78,276	81,386
March	71,433	127,220	151,743
April	56,153	98,757	233,490
May	62,878	124,795	
June	92,430	125,766	
July	64,063	101,574	
August	75,578	136,018	
September	44,082	153,301	
October	46,235	60,636	
November	35,959	67,724	
December	32,159	55,746	
Total	667,869	1,187,416	534,625

(Source: Commerce Ministry, Myanmar)

### Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>  
© 2005 Indian Agribusiness Systems Pvt Ltd.