

PULSES

Sept 01- Sept 08, 2007

Highlights

Spot Markets

- Rs.31.25 crores subsidy for wheat and pulses by Punjab government.
- Chickpea production may increase on fresh rain in Central Queensland, Australia.
- Andhra Pradesh government plans to distribute chana seeds for rabi crop

Highlights

Futures Market

- 3,380 MT Chana was delivered for the NCDEX July contract
- NCDEX and MCX combined stock of Chana reached more than 16,727 MT

Fundamentals

URAD:

Urad spot market remained weak during the week due to lower demand in the market. The arrivals from the fresh crop have also started in few centres. Higher moisture content in the commodity from fresh crop is reported. It also brought the prices slightly down in the market. Prices of FAQ Urad in Delhi market remained lower at Rs.2350-2300 per quintal. The prices in Mumbai were Rs.2210-2220 at the end of the week. On higher arrivals in the market, prices were also lower in Latur and Jalna. Moreover, PEC invited bid to import 1,000 tonnes of Urad to be delivered by October. Thus, prices are expected to remain weak in coming days due to increase in arrivals in the market.

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

Date	Burma FAQ (Delhi)	Burma spot FAQ (Mumbai)
03.09.07	2350	2281
04.09.07	Closed	Closed
05.09.07	2325	2291
06.09.07	2300	2240
07.09.07	2310	2200
08.09.07	2300	2200

Urad Prices in secondary markets

QUALITY	08.09.07	01.09.07
Akola	2350	2350
Indore	2350	2600
Jalna	1900-2125	2000-2200

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

Date	F A Q (Mumbai)	S Q (Mumbai)
01.09.07	580	610
08.09.07	NA	600

TUR:

A steady to weak sentiment was observed in Tur spot market during the week. Mainly sluggish demand in the market pushed the prices slightly lower sides. During the period, the prices of Burmese Lemon Tur in Delhi and Mumbai market traded between Rs.2450-2425 per quintal and Rs.2330-2271 per quintal respectively. The prices were steady in Jalna and Latur market, but it was weak in Akola market. But the arrivals in the market are not satisfactory in these days. Government is taking continuous steps to improve the supply situation in the market through imports as the arrivals from the fresh crop are expected to come in the market by November-December. In the same line, PEC invited bid to import 4,000 tonnes of Tur to be delivered during October. 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/qlt.):

Date	Burma Spot Delhi	Burma Spot Mumbai (New)
03.09.07	2450	2331
04.09.07	Closed	Closed
05.09.07	2450	2321
06.09.07	2425	2290
07.09.07	2400	2271
08.09.07	2400	2251

Tur Prices in secondary markets

Centres and Grade	08.09.07	01.09.07
Gulbarga - Red Tur	2600	2620
Latur Red tur (Mh Line)	2575	2600
Latur White tur (Mh Line)	2600	2625
Jalna Red	2300-2400	2350-2450
Jalna White	2400-2500	2400-2500
Jalna BDM	2500	2500
Akola Red Vidharbha Line	2475	2545

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

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

MOONG:

Due to continuous arrivals from the fresh crop in the market, weak sentiment continued in Moong spot market during the week. The average arrivals in Indore market were 1500-1700 bags during the period. Arrivals also increased considerably in Latur, Jalna and Akola markets. Moreover, higher moisture content is also reported in most of the centres, which is also bringing the prices down. Prices of Pedishewa Moong in Mumbai and Delhi market remained lower at Rs.2400-2300 per quintal and Rs.2600-2500 per quintal respectively. Prices in Indore market were also lower at Rs.2150-2100 per quintal. Thus, in the present situation, prices are expected to remain weak in coming week due to higher arrivals and higher moisture content in the commodity. But, if moisture content improves, market would recover little bit.

Latest prices in Delhi (Rs/qt.)

Date	Pedishewa(Delhi)	Indore
01.09.07	2600	2275
08.09.07	2450	2150

Prices at Secondary Centres (Rs/qt)

Centres	08.09.07	01.09.07
Latur	2250	2325
Jalna	2000-2300	1900-2325
Akola	2000-2150	2100-2200
Kanpur	1900-2200	2100-2500
Indore	2150	2275

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

Date	Ethiopian	Burmese Annashewa	Burmese Pedishewa
01.09.07	NA	550	NA
08.09.07	NA	500-550	NA

CHICKPEAS:

A firm sentiment was witnessed in Chana spot markets during the week starting from 3rd September due to better demand in the market. But the demand for Chana Dal in the market is not satisfactory. Average arrivals in Delhi market were higher around 35-40 motors against 25-30 motors of the previous week. But arrivals in Bikaner market were very lower at 100-200 bags during the period. The average prices of Rajasthan origin Chana in Delhi market were Rs.2330-2325 per quintal against the previous week's prices of Rs. 2330-2290 per quintal, whereas in Bikaner market, prices moved around Rs. 2150-2125 per quintal compare to last week's prices of Rs. 2100-2090 per quintal. But, still, demand in the market is very much scattered. Weak sentiment in other pulses is also influencing Chana

prices. To provide wheat and pulses to 14 lakh blue card beneficiaries at subsidized rate, Punjab Government sanctioned Rs.31.25 crores subsidy to Food and Supply Department. Punjab Government is lifting pulses for the 'Atta-Dal' scheme, which could increase the demand little bit. Meanwhile, this week's rains in Central Queensland, Australia would boost the Chickpea in the region along with other crops, while crops are withering in other parts of Australia due to drought. The yield of Chickpea is expected to reach 2.5 tonnes per hectare in Central Queensland. There is 43,000ha of Chickpea crop under cultivation in the region. 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 09.09.07. Thus, with the present scenario, Chana prices are likely to remain range bound with slightly upside bias due to expected increase in demand in the market as festival season is coming closer.

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

Date	Delhi (Rajasthan)	Indore (Kantewala)
03.09.07	2315	2320
04.09.07	2320	Closed
05.09.07	2345	2350
06.09.07	2355	2365
07.09.07	2325	2365
08.09.07	2325	2360

Prices in Mandis of Maharashtra/ UP/ Karnataka

Centres	08.09.07	01.09.07
Bikaner (Desi)	2120	2200
Latur (Gauran)	2350	2300
Latur (Annagiri)	2450	2500
Latur (G-12)	2400	2450
Jalna (Gauran)	2275	2275
Jalna (Pila)	2375	2375
Akola (Mixed) motor cut	2375	2385
Akola new (Chapa) motor cut	2440	2540
Kanpur (mandi rates)	2400	2375

MASOOR:

Weak sentiment continued in Masoor spot market during the week amidst the week arrivals. The average arrivals in Indore market decreased to 500-700 bags against last week's arrivals of 800-900 bags. Masoor prices remained subdued due to sluggish demand from the eastern part of the country. The prices in Delhi market moved around Rs.2775-2750 per quintal compare to last week's prices of Rs.2825-2800 per quintal, whereas it was around Rs. 2750-2740 per quintal in Indore market. In Kanpur market, prices were also slightly weak at Rs. 2910-2870 per quintal. Though festival season is approaching, but there is no as such indication of increase in demand in the market. Moreover, PEC invited bid to import 3,000 tonnes of Masoor (Red Lentil) to be delivered by October. Thus, prices are expected to remain range bound with slight weak bias in coming days due to sluggish demand in the market.

Prices in UP/ Indore (Rs/qtl.)

Date	Kanpur	Indore
03.09.07	2900	2750
04.09.07	Closed	Closed
05.09.07	2900	2740
06.09.07	2870	2740
07.09.07	2880	2730
08.09.07	2875	2730

FIELD PEAS:

A slight weak sentiment was observed in Peas spot market during the week. Prices of White Canadian Peas in Mumbai remained lower by Rs.10-20 per quintal at Rs.1671-1661 per quintal, whereas prices were slightly weak at Rs.1910-1900 per quintal in Kanpur. The upward movement of Peas prices is restricted in these days due to weak sentiment in other pulses, particularly in Chana. Moreover, Government is also continuously importing Peas to stabilize the domestic supply situation. 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 09.09.07. Thus, prices are expected to remain range bound with weak bias due to expected increase in arrivals and subdued demand in the market.

Peas Price Movement (Rs/qt)

Offers	Kanpur New	Mumbai Peas(WC)
01.09.07	1900	1691
08.09.07	1925	1641

NEWS

Rs.31.25 Crores Subsidy for Wheat and Pulses by Punjab Government

To provide wheat and pulses to 14 lakh blue card beneficiaries at subsidized rate, Punjab Government sanctioned Rs.31.25 crores subsidy to Food and Supply Department.

Chick Pea Production May Increase on Fresh Rain in Central Queensland, Australia

This week's rains in Central Queensland, Australia would boost the Chickpea in the region along with other crops, while crops are withering in other parts of Australia due to drought. The yield of Chickpea is expected to reach 2.5 tonnes per hectare in Central Queensland. There is 43,000ha of Chickpea crop under cultivation in the region.

MMTC Floated Global Tender to Import 44,000 tonnes of Pulses

MMTC issued a global tender to import 9,000 tonnes of Tur and 35,000 tonnes of Yellow Peas during October-November. MMTC has specified that Tur must be of Africa or Myanmar origin, while Yellow Peas should be of Canadian origin.

Andhra Pradesh Government Plans to Distribute Chana Seeds for Rabi Crop

To increase the Chana production in the State, Andhra Pradesh Government decided to distribute Chana seeds for Rabi crop to the farmers at subsidized rate. Government would purchase 15,000 tonnes of Chana within four to five weeks.

Futures Market (NCDEX)

Chana

A roller costar movement was observed in Chana prices during the week. Prices increased considerably in first four days of the week, but it dipped sharply in the last two days and ended at the same level at the opening of the week at Rs.2275-2270 per quintal. The most active NCDEX October contract traded in the range of Rs.2337-2258 per quintal. The MCX October contract traded in the range of Rs.2329-2260. Volumes and Open Interest remained steady during the period.

PRICE DRIVERS:

- Scattered demand in the market.
- Demand for Chana Dal is unsatisfactory in the market
- Expected arrivals of a vessel in Mumbai port to offload 8,800 tonnes of bulk peas by 09.09.07
- Sanction of Rs.31.25 Crores subsidy by Punjab Government for 'Atta-Dal' scheme.
- Expected increase in production of Chick Pea in Central Queensland, Australia
- Andhra Government would purchase 15,000 tonnes of Chana within four to five weeks.
- The MCX and NCDEX combined stock decreased to 16,727 tonnes

OUTLOOK:

Short Term (One Week): Range bound with slightly upside bias due to expected increase in demand.

Medium Term (One Month): Slight firm inclination on festival demand

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

Chana (MCX October Contract)

Support-1	2256	Support-2	2241
Resistance-1	2338	Resistance-2	2360
Strategy	Buy on dips.		

Chana (NCDEX October Contract)

Support-1	2255	Support-2	2226
Resistance-1	2331	Resistance-2	2362
Strategy	Buy on dips.		

Forex as on 08.09.07

Country/ Continent	Currency	Value in Rupees
USA	Dollar	40.68
European Union	Euro	55.66
Japan	100 Yen	35.36
United Kingdom	GBP	82.26

Latest Vessel Position

Vessel Vinashin Summer VI arrived at Mumbai port by 08.09.07 discharge 8,800 tonnes Bulk Peas.

Weather Outlook for the Week Ending On 12th Sept, 2007

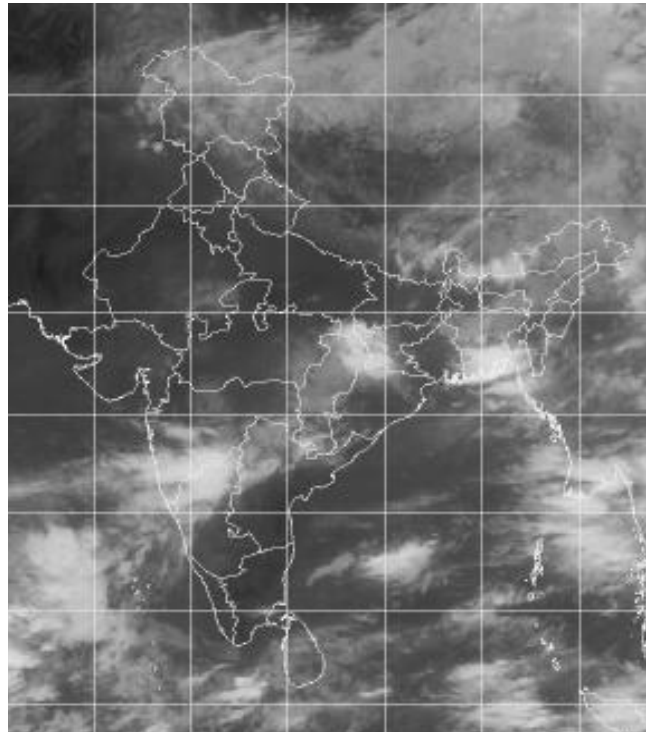
- Widespread rainfall with scattered heavy to very heavy falls is likely over Bihar, Sub-Himalayan West Bengal & Sikkim and northeastern States during the week.
- Fairly widespread rainfall with isolated heavy to very heavy falls is also likely over remaining parts of East India during first half of the week and decrease thereafter.
- Scattered to fairly widespread rainfall activity is likely over northwest India.
- Decrease in rainfall activity over South peninsula where scattered rainfall is likely.

Crop -Weather Impact

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

Weather Map

08.09.2007



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)

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