

## PULSES

Sept 15- Sept 22, 2007

### Highlights

#### Spot Markets

- STC, NAFED and MMTC invited bids to sell more than 1 lakh tonnes of imported Peas
- Kharif pulses production would be higher by 0.77 million tonnes
- Pulses production in Australia is expected to be higher in 2007-2008

### Highlights

#### Futures Market

- 6,620 MT Chana was delivered for the NCDEX September contract
- NCDEX and MCX combined stock of Chana reached more than 17,305 MT

## Fundamentals

### URAD:

A steady to slightly weak sentiment was observed in Urad spot market during the week on deterioration in quality (higher moisture content and damages) in the commodity in fresh crop. But, stockists are gradually entering in to the market. Prices of FAQ Urad in Delhi and Mumbai market remained steady to slightly weak at Rs.2250-2175 per quintal and Rs.2225-2025 per quintal respectively, which moved up at the end of the week. Prices were also remained steady in Latur, Jalna and Akola. Meanwhile, according to First Advance Estimates, total production of pulses is expected to be 5.51 million tonnes in the present Kharif season against the 4.74 million tonnes in 2006-2007 and STC also plans to import Urad during October-December. Thus, prices are expected to remain steady to weak in coming days due to increase in arrivals in the market.

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

Date	Burma FAQ (Delhi)	Burma spot FAQ (Mumbai)
17.09.07	2175	2025
18.09.07	2175	2051
19.09.07	2225	2025
20.09.07	2225	2091
21.09.07	2250	2170
22.09.07	2250	2225

#### Urad Prices in secondary markets

QUALITY	22.09.07	15.09.07
Akola	2235	Closed
Indore	2300	Closed
Jalna	1800-2250	Closed

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

Date	F A Q (Mumbai)	S Q(Mumbai)
15.09.07	550-570	570
22.09.07	550-570	570

### TUR:

Tur spot market remained slightly firm during the week on higher demand in the market as festival season has already commenced. During the period, the prices of Burmese Lemon Tur in Delhi and Mumbai market traded slightly higher at Rs.2375-2350 per quintal and Rs.2391-2210 per quintal respectively. The prices were also higher in Latur, Jalna and Akola market. According to first estimate, Kharif Tur production would be 2.7 million tonnes compare to last year's 2.4 million tonnes, which will come to market by November-December. Meanwhile, STC also plans to import Tur during October-December. But, in the present condition, prices are likely to remain range bound with slight positive bias due to better demand in the market.

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

Date	Burma Spot Delhi	Burma Spot Mumbai (New)
17.09.07	2350	2210
18.09.07	2350	2275
19.09.07	2375	2275
20.09.07	2350	2281
21.09.07	2361	2351
22.09.07	2371	2391

#### Tur Prices in secondary markets

Centres and Grade	22.09.07	15.09.07
Gulbarga - Red Tur	2600	Closed
Latur Red tur (Mh Line)	2600	Closed
Latur White tur (Mh Line)	2600	Closed
Jalna Red	2400-2500	Closed
Jalna White	2450-2550	Closed
Jalna BDM	2550	Closed
Akola Red Vidharbha Line	2500	Closed

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

DATE	Burmese FAQ new	Burmese ( Lemon Tur, Weeviled 15%)
15.09.07	NA	NA
22.09.07	NA	NA

**MOONG:**

A steady sentiment was witnessed in Moong spot markets during the week due to better demand from the stockists amidst the arrivals from the fresh crop. The average arrivals in Indore market were also slightly lower at 1300 bags. Prices of Pedishewa Moong in Mumbai and Delhi market remained steady at Rs.2300-2250 per quintal and Rs.2425-2400 per quintal respectively. Indore market also remained steady at Rs.2150-2050 per quintal. On higher acreage, production of Kharif Moong is expected to be higher, which is also suggested on first advance estimate. Thus, prices are expected to remain range bound with weak bias on higher production of the commodity.

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

Date	Pedishewa(Delhi)	Indore
15.09.07	Closed	Closed
22.09.07	2400	2252

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

Centres	22.09.07	15.09.07
Latur	2250	Closed
Jalna	1900-2350	Closed
Akola	2300	Closed
Kanpur	2100	Closed
Indore	2250	Closed

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

Date	Burmese Annashewa	Burmese Pedishewa
15.09.07	500-550	NA
22.09.07	500-550	NA

**CHICKPEAS:**

An almost steady sentiment was witnessed in Chana spot markets across the country during the week starting from 17th September. Millers are gradually entering into the market, which made the prices unmoved though a vessel reached Mumbai port to offload 51,349 tonnes of Peas; a cheap substitute of Chana. The average prices of Rajasthan origin Chana in Delhi market moved around steady at Rs.2290-2285 per quintal whereas in it is around Rs.2090-2285 per quintal in Bikaner. Prices also remained steady in Indore, Latur, and Akola. Average arrivals in Delhi and Bikaner market were slightly lower at 30 motors and 200 bags arrivals respectively. Meanwhile, overall production of Chickpea in Australia is expected to be 4,67,000 tonnes compare to 2,32,000 tonnes of last year, which will help in cheaper import. In India, according to first advancement estimate, Kharif pulses production would be higher by 0.77 million tonnes this season. Moreover, STC and MMTC also invited bids to sell total 59,470 tonnes of imported Peas. Thus, upside movement of Chana prices

would be restricted over medium and long term, but it is likely to remain steady to slightly firm in coming week on better demand.

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

Date	Delhi (Rajasthan)	Indore (Kantewala)
17.09.07	2270	2280
18.09.07	2290	2310
19.09.07	2285	2290
20.09.07	2280	2280
21.09.07	2300	2310
22.09.07	2310	2325

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

Centres	22.09.07	15.09.07
Bikaner (Desi)	2125	Closed
Latur (Gauran)	2425	Closed
Latur (Annagiri)	2500	Closed
Latur (G-12)	2450	Closed
Jalna (Gauran)	2300	Closed
Jalna (Pila)	2300	Closed
Akola (Mixed) motor cut	2400	Closed
Akola new (Chapa) motor cut	2450	Closed
Kanpur (mandi rates)	2380	Closed

**MASOOR:**

A weak sentiment was seen in Masoor spot market during the week due to subdued demand from the eastern part of the country. The prices in Delhi and Indore market remained lower at Rs.2675 per quintal and Rs.2780-2650 per quintal respectively, which moved up at the end of the week. Prices also lower at Rs.2840-2825 per quintal in Kanpur. Meanwhile, Lentil production in Australia is forecast about 3,13,000 tonnes in 2007-2008 against the 1,49,000 tonnes in 2006-2007, which will help in cheaper import of the commodity. 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/ctl.)**

Date	Kanpur	Indore
17.09.07	2825	2650
18.09.07	2825	2680
19.09.07	2840	2680
20.09.07	2840	2690
21.09.07	2840	2720
22.09.07	2850	2780

**FIELD PEAS:**

Weak sentiment continued in Peas spot market during the week due to arrivals of a vessel in Mumbai port to offload 51,349 tonnes of Peas. Prices of White Canadian Peas in

Mumbai and Desi Peas in Kanpur remained lower at Rs.1610-1590 per quintal and Rs.1890-1870 respectively. Prices are expected to remain with weak, because STC and MMTC also invited bids during the week to sell total 59,470 tonnes of imported Peas.

#### Peas Price Movement (Rs/qt)

Offers	Kanpur New	Mumbai Peas(WC)
15.09.07	Closed	Closed
22.09.7	1870	1591

#### NEWS

#### STC and MMTC Invited Bids to Sell 59,470 tonnes of Imported Peas

In two separate tenders, STC and MMTC invited bids to sell total 59,470 tonnes of imported Peas of different origin. STC invited quotations to sell 22,719.168 tonnes of Yellow Peas, out of which, 9,286.154 tonnes are of German origin and 13,433.014 tonnes of French origin. In another notice, MMTC also invited bids to sell 36,750 tonnes of Peas imported from Canada, which will be offered in Kolkata.

#### NAFED Invited Quotation to Sell 43,500 tonnes of Yellow Peas

(NAFED) invited bids to sell 43,000 tonnes of Yellow Peas from the current crop of Canadian origin. Peas will be discharged from Vishakhapatnam port.

#### Kharif Pulses Production Would be Higher by 0.77 Million Tonnes

According to First Advance Estimates of Production of Food grains, Oilseeds and Other Commercial Crops during 2007-08, the total production of pulses is expected to be 5.51 million tonnes in the present Kharif season against the 4.74 million tonnes in 2006-2007. Among the pulses, Tur production would be 2.7 million tonnes compare to last year's 2.4 million tonnes. Meanwhile, under National Food Security Mission, Government has aimed at production of 0.3 million tonnes of Pulses in Rabi season in the current year.

#### Pulses Production in Australia is Expected to be Higher in 2007-2008

According to the forecast, the pulse production in Australia is expected to be higher in 2007-2008. Lupin production in Western Australia is forecast to increase to 2, 05,000 tonnes in 2007-08, an increase of 64 per cent compared with the previous season. Total Lupin production in Australia is expected to be 3,71,000 tonnes in 2007-2008 against 1,74,000 tonnes in 2006-2007. Chickpea production is forecast to more than double to around 99 000 tonnes in 2007-08 in Central Queensland, while overall production of Chickpea in Australia is expected to be 4,67,000 tonnes compare to 2,32,000 tonnes of last year. The Field Pea and Lentil production is forecast about 3,13,000 tonnes and 1,50,000 tonnes respectively in 2007-2008 against the 1,49,000 tonnes and 36,000 tonnes respectively in 2006-2007.

## Futures Market (NCDEX)

### Chana

A firm sentiment was witnessed in Chana futures during the week. Prices increased steadily with exceptional fall on Tuesday. The near month NCDEX October contract traded in the range of Rs.2292-2228 per quintal. The MCX October contract traded in the range of Rs.2265-2205 per quintal. Volumes decreased considerably at the end of the week, while Open Interest decreased marginally.

### PRICE DRIVERS:

- Slight improve in demand on higher participation of millers in trading.
- STC, NAFED and MMTC invited bids to sell more than 1 lakh tonnes of imported Peas
- Kharif pulses production would be higher by 0.77 million tonnes this season
- Production of Chickpea in Australia is expected to be higher
- The MCX and NCDEX combined stock moderate at 17,305 tonnes

### OUTLOOK:

**Short Term (One Week):** Steady to slightly firm incoming week on better demand.

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

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

### Chana (MCX October Contract)

Support-1	2211	Support-2	2190
Resistance-1	2298	Resistance-2	2320
<b>Strategy</b>	Buy on major dips.		

### Chana (NCDEX October Contract)

Support-1	2219	Support-2	2205
Resistance-1	2325	Resistance-2	2346
<b>Strategy</b>	Buy on major dips.		

#### Forex as on 22.09.07

Country/ Continent	Currency	Value in Rupees
USA	Dollar	39.88
European Union	Euro	56.19
Japan	100 Yen	34.74
United Kingdom	GBP	80.11

#### Latest Vessel Position

Vessel Volme (OD)-VI is reached Mumbai port on 17th Sept, 07 to offload 51,349 tonnes Peas in bulk. Vessel Vinashin Summer VI arrived at Mumbai port on 08.09.07 discharge 8,800 tonnes Bulk Peas.

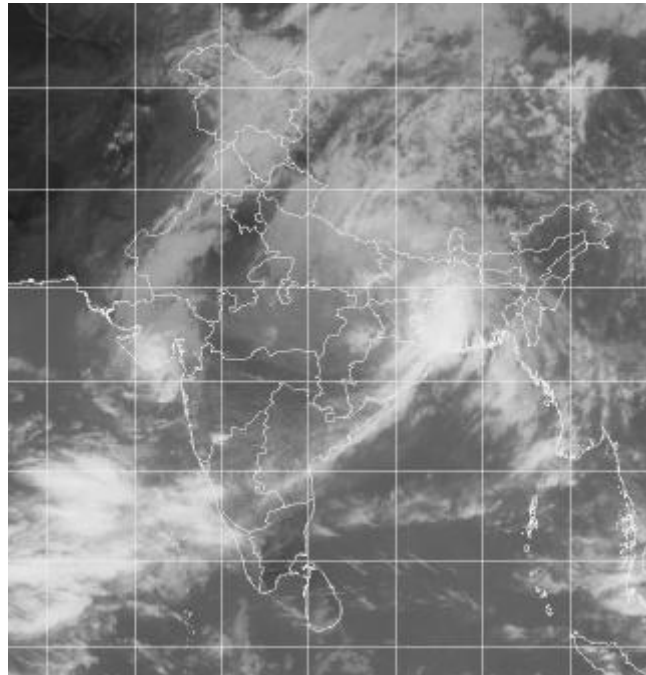
#### **Weather Outlook for the Week Ending On 26<sup>th</sup> Sept, 2007**

- The well marked low pressure area over West-Central Bay of Bengal is likely to concentrate into a depression and cause widespread rainfall with isolated heavy to very heavy falls over Orissa and north Andhra Pradesh during first half of the week. The enhanced rainfall activity is likely to shift towards central and west India during second half of the week
- Numerical Weather Prediction models suggest that subdued rainfall activity is likely to continue over northwest, central and adjoining west India.
- Decrease in rainfall activity over the peninsular India during second half of the week.

#### **Crop -Weather Impact**

Commodity	States	Crop Stage	Impact
<b>Urad</b> (Kharif)	Haryana, Punjab, AP, MP	Pod formation/maturity	Expected rainfall may affect maturity
	TN, Assam	Sowing/vegetative	Expected rainfall will be helpful
<b>Moong</b> (Kharif)	Haryana, Punjab, Maharashtra, AP	Pod formation/maturity/harvesting	Expected rainfall may affect maturity and harvesting
	TN, Assam	Vegetative	Expected rainfall will be helpful
<b>Tur</b> (Kharif)	Punjab, TN	Sowing	Expected rainfall will be helpful
	WB, Assam, Haryana, Orissa and Bihar	Vegetative	Expected rainfall will be helpful, Irrigation needed in dry areas.

#### **Weather Map** **22.09.2007**



**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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