

PULSES

Oct 22–Oct 27, 2007

Highlights

Spot Markets

- MMTC invited bids to sell 4800 tonnes of imported pulses.
- Sowing of Chana is in progress in Maharashtra AP and Karnataka.

Highlights

Futures Market

- NCDEX and MCX combined stock of Chana is lower at 6877.90 MT

Fundamentals

URAD:

Urad spot market remained firm during the week on higher demand and diminishing arrivals in the market. Farmers are now more engaged in land preparation and sowing of Rabi crops, which is affecting the arrivals in the market. Deterioration in quality (off-coloured) is also reported in some centres. Arrivals decreased to 5000-6000 bags from 10000 bags earlier in Latur. Prices of FAQ Urad in Delhi and Mumbai market remained firm at Rs.2450-2400 per quintal and Rs.2360-2310 per quintal respectively. Prices also firm in Jalna and Akola. Meanwhile, to improve the arrivals during festive season, PEC invited quotations to sell 548 tonnes Urad. But, prices are expected to remain range bound with firm inclination due to better demand in the market.

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

Date	Burma FAQ (Delhi)	Burma spot FAQ (Mumbai)
22.10.07	2325-50	2321-25
23.10.07	2325-50	2350
24.10.07	NA	2300
25.10.07	NA	2300
26.10.07	2300	2311
27.10.07	2300	2300-2335

Urad Prices in secondary markets

QUALITY	27.10.07	20.10.07
Akola	2100	2300
Indore	2200-2350	2450
Jalna	1700-2300	1500-2250

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

Date	F A Q (Mumbai)	S Q (Mumbai)
20.10.07	590	640
27.10.07	590	640

TUR:

Tur market took a breather this week after the recent surge in prices on short domestic production and high import prices. Demand slightly eased in the terminal markets with the approach of green vegetable season. However, the overall sentiments still remain on the firmer side despite some good imports by government. The crop is in a good shape in MP, UP and Maharashtra, whereas tur crop in Karnataka's Gulbarga region suffered some losses due to pest attack. Karnataka, one of the major tur producing state, is likely to see set back in production this season. Meanwhile, PEC invited bids to sell 2900 tonnes of Tur to support the supplies in the market. The prices of Burmese Lemon Tur in Delhi and Mumbai markets hovered in the range of Rs.2625-2700 per quintal and Rs. 2550-2600 per quintal respectively. The downside potential of the prices is limited due to tight supply.

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

Date	Burma Spot Delhi	Burma Spot Mumbai (New)
22.10.07	2700	2601
23.10.07	2700	2601
24.10.07	NA	2575
25.10.07	NA	2551
26.10.07	2500-2600	2551
27.10.07	2500-2600	2551

Tur Prices in secondary markets

Centres and Grade	27.10.07	20.10.07
Gulbarga - Red Tur	3000	Closed
Latur Red tur (Mh Line)	2950	3000
Latur White tur (Mh Line)	NA	NA
Jalna Red	2750	2700-2800
Jalna White	2700-2800	2700-2800

Jalna BDM	2800	2800
Akola Red Vidharbha Line	2800	2750

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

DATE	Burmese FAQ new	Burmese (Lemon Tur, Weeviled 15%)
20.10.07	NA	570-580
27.10.07	NA	570-580

MOONG:

Moong witnessed slight easing in the prices with the slackening in the demand, however steady to firm prices of other pulses and decreasing arrivals limited the losses. Prices of Pedishewa Moong in Mumbai and Chamki in Indore moved around Rs.2400-2450 per quintal, Rs.2250-2400 per quintal respectively, whereas the prices of Maharashtra Popat in Delhi remained steady at Rs 2500 per quintal. Prices are expected to remain range bound on depleting arrivals and subdued demand during the green vegetable season.

Latest prices in Delhi (Rs/qt.)

Date	Maharashtra Chamki(Delhi)	Indore
20.10.07	2300-2400	2400
27.10.07	2300	2300-2350

Prices at Secondary Centres (Rs/qt)

Centres	27.10.07	20.10.07
Latur	1800-2200	2250
Jalna	2100-2500	2100-2500
Akola	2100	2300
Kanpur	NA	2300
Indore	2300-2350	2400

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

Date	Burmese Annashewa	Burmese Pedishwa
20.10.07	540-550	NA
27.10.07	540-550	NA

CHICKPEAS:

Steady sentiments were observed in Chana during the week starting 22 October in the absence of active trade in the commodity. Demand remained subdued, whereas average arrivals also declined to 30 motors from 45-50 motors in the previous week. The prices in Delhi market hovered in a tight range of Rs 2210-2230 during the week, whereas chana traded in the range of Rs 2390-2450 per quintal in Indore. The market is likely to witness some improvement in demand in the coming days ahead of diwali, which might support the prices. Sowing has started in Maharashtra, Karnataka and Andhra Pradesh and

healthy soil moisture conditions are likely to result in increased acreage in AP and Maharashtra. Rajasthan, where chana is sown mostly under unirrigated conditions, poor soil moisture might cause some shrinkage in acreage. In MP farmers are more attracted towards wheat on increased acreage and it might snatch some area from Chana in irrigated area. Overall, some shrinkage in Chana acreage is likely, although it is too early to say that. Stockists are waiting for some higher levels to offload their stuff and thus arrivals are shrinking. Imports are also unattractive at the current prices despite strong rupee. The prices are likely to remain range bound with slightly bullish inclination.

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

Date	Delhi (Rajasthan)	Indore (Kantewala)
22.10.07	2430	2450
23.10.07	2420	2450
24.10.07	2415-2420	2420
25.10.07	2410-2420	2390
26.10.07	2415-2420	2400
27.10.07	2400-2425	2390

Prices in Mandis of Maharashtra/ UP/ Karnataka

Centres	27.10.07	20.10.07
Bikaner (Desi)	2230-2280	2250
Latur (Gauran)	2300	2300
Latur (Annagiri)	2450	2450
Latur (G-12)	2400	2400
Jalna (Gauran)	2300	2400
Jalna (Pila)	2400-2450	2500
Akola (Mixed) motor cut	2400	2475
Akola new (Chapa) motor cut	2550	2550
Kanpur (mandi rates)	2360-2365	2440

MASOOR:

Steady sentiments were observed in Masoor with slight weakness towards the end of the week. With the weakening in demand after recent festivals, the prices eased a bit towards the end of the week. However, the overall sentiments in the market remains still firm, thanks to tight domestic supplies and higher quotes by exporters. MMTC has invited quotations to sell 1900 tonnes of Red Lentil. But, prices are expected to prevail at higher level due to better demand in the market.

Prices in UP/ Indore (Rs/ctl.)

Date	Kanpur	Indore
22.10.07	3050	2900
23.10.07	3070	2920
24.10.07	3050	2900
25.10.07	3050	2890
26.10.07	3030	2870

27.10.07	3010	2870
----------	------	------

FIELD PEAS:

Peas continues to enjoy high demand with the Chana prices ruling steady at higher levels as millers are more interested in this cheaper substitute of the later. Domestic production was lower last year, which has increased the dependence on imports. Hence, higher quotes by the exporters are translating in higher domestic prices. Demand is still robust as the prices are still well below the Chana prices. Prices of White Canadian Peas in Mumbai and Desi Peas in Kanpur remained firm in the range of Rs.1781-1821 per quintal and Rs.1925-1960 per quintal respectively. The prices might remain firm with the expected firmness in Chana ahead of Diwali.

Peas Price Movement (Rs/qt)

Offers	Kanpur New	Mumbai Peas(WC)
20.10.07	1950	1780
27.10.07	1960	1790

NEWS

MMTC Invite Bids to Sell 4,800 tonnes of Imported Pulses

Public sector trading company MMTC has invited bids for sale of 4,800 tonne of imported pulses, a move that is seen as an effort to check the prices of the commodities during the festival season. The company plans to sell 2,900 tonne of tur whole (arhar) and 1,900 tonne of red lentil from this year's produce. The bids will close on October 29. The decision on bids will be taken on October 31. The offer should be for minimum lot of 100 tonne on ex-godown as is where is basis. Bidder is free to inspect the material before submitting the bid.

Futures Market (NCDEX)

Chana

Chana futures prices moved mainly sideways in a thin trade during the week. The prices remained volatile in a range in the absence of clear signals from the physical market. The near month NCDEX November contract traded in the range of Rs.2388-2423 per quintal. The MCX November contract traded in the range of Rs.2396-2427 per quintal. During the period, Volumes and Open Interest both witnessed decline.

PRICE DRIVERS:

- Overall higher demand due to ongoing festival season.
- Arrivals of almost 1,15,000 tonnes of Peas in Mumbai and Kolkata port
- Firm sentiment in all other pulses.
- Quotations for Australian Chickpea are still at higher level at \$590-\$600
- The quotations of Tanzania Yellow Gram is higher at \$560-\$565
- Delay in shipment of pulses from Myanmar due to political turmoil in that country.
- The MCX and NCDEX combined stock is lower at 10,362 tonnes.

OUTLOOK:

Short Term (1 Week): Range bound with slightly firm bias due to expected improvement in demand

Medium Term (1 Month): Steady to firm on depleting stocks

Long Term (3 Months): Bullish on off-season premiums

Chana (MCX November Contract)

Support-1	2369	Support-2	2353
Resistance-1	2449	Resistance-2	2462
Strategy	Buy on major dips.		

Chana (NCDEX November Contract)

Support-1	2378	Support-2	2355
Resistance-1	2443	Resistance-2	2463
Strategy	Buy on major dips.		

Forex as on 27.10.07

Country/ Continent	Currency	Value in Rupees
USA	Dollar	39.51
European Union	Euro	56.76
Japan	100 Yen	34.54
United Kingdom	GBP	81.16

Latest Vessel Position

Vessel Kryton is expected to arrive Kolkata port on 17th Oct, 07 to offload 29,000 tonnes Peas. Vessel Shangor is expected to reach Kolkata port on 17.10.07 to offload 31,750 tonnes of Peas. Vessel Maritime Setushio (OD)-VI reached Mumbai port to discharge 54,263 tonnes Peas in Bulk.

Weather Outlook for the Week Ending On 24th Oct, 2007

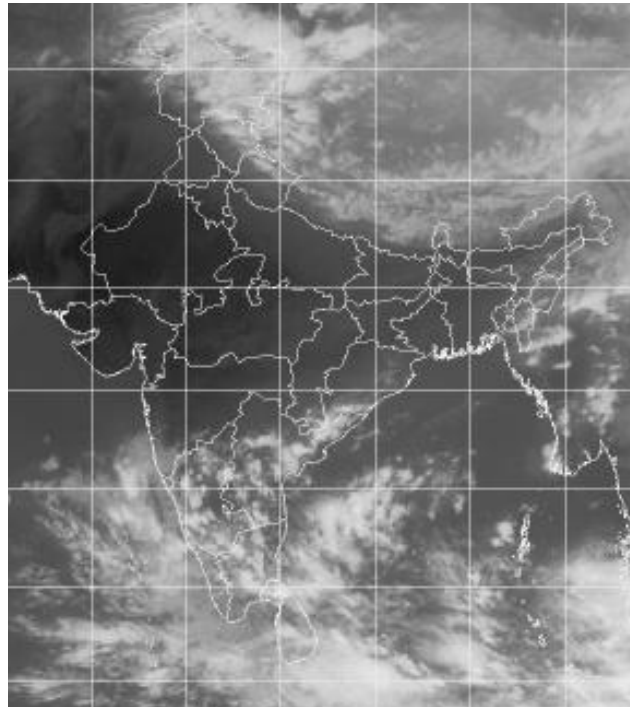
- Southwest monsoon is likely to withdraw from northeastern States and the remaining parts of East & Central India and Maharashtra during middle of the week.
- Northeast Monsoon rain is likely to commence over Tamil Nadu and adjoining states during second half of the week.

Crop -Weather Impact

Commodity	States	Crop Stage	Impact
Urad (Kharif)	Haryana, Punjab, AP, MP	Harvesting	Expected dry weather will be helpful
	TN, Assam	Sowing/vegetative	Expected rainfall will be helpful
Moong (Kharif)	Haryana, Punjab, Maharashtra, AP	Harvesting	Expected dry weather will be helpful
	TN, Assam	Vegetative	Expected rainfall will be helpful
Tur (Kharif)	Punjab, TN	Sowing	Irrigation needed in dry areas
	WB, Assam, Haryana, Orissa and Bihar	Vegetative	Irrigation needed in dry areas

Weather Map

27.10.2007



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.