

## PULSES

Dec 01- Dec 08, 2007

### Highlights

#### Spot Markets

- STC invited bids to sell 31,500 tonnes of Whole Yellow Peas.
- Increase in Canadian field pea and US's Pulses exports to India.
- Substantial increase in Pulses production expected in Australia in 2007-08.

### Highlights

#### Futures Market

- 1,580 MT Chana was delivered for the NCDEX November contract
- NCDEX and MCX combined stock of Chana is lower at 5,678 tonnes.

## Fundamentals

### URAD:

A range bound movement was observed in Urad spot markets weak during the week. Prices of FAQ Urad in Delhi and Mumbai markets remained steady at Rs.2275-2250 per quintal and Rs.2300-2250 per quintal respectively, whereas prices remained steady to slightly weak in Latur and Jalna due to better arrivals in the markets. Meanwhile, STC invited tenders to sell 5,000 tonnes of Black Matpe Whole. But, arrivals from the fresh crop is started to decrease slightly. Prices are expected to remain steady to slightly weak before ending of arrivals from fresh crop.

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

| Date     | Burma FAQ (Delhi) | Burma spot FAQ (Mumbai) |
|----------|-------------------|-------------------------|
| 03.12.07 | 2275              | 2300                    |
| 04.12.07 | 2250              | 2290                    |
| 05.12.07 | 2250              | 2290                    |
| 06.12.07 | 2250              | 2270                    |
| 07.12.07 | 2250              | 2250                    |
| 08.12.07 | 2250              | 2250                    |

#### Urad Prices in secondary markets

| QUALITY | 08.12.07  | 01.12.07  |
|---------|-----------|-----------|
| Akola   | 2100      | 2150      |
| Indore  | 2300      | 2300      |
| Jalna   | 1500-1900 | 1700-2100 |

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

| Date     | F A Q (Mumbai) | SQ(Mumbai) |
|----------|----------------|------------|
| 01.12.07 | 580-590        | 630-635    |
| 08.12.07 | 570-580        | 600-630    |

### TUR:

Tur spot prices traded steady to slightly firm during the week due to shortage in supply pipeline, though arrivals from fresh crop has started in Karnataka and some parts of

Marathwada region. Arrivals will also start to come within a week in other parts of the country. The prices of Burmese Lemon Tur in Delhi and Mumbai markets moved around Rs.2700-2610 per quintal and Rs.2550-2510 per quintal. Prices also remained steady to slightly firm in Jalna and Akola, whereas prices remained slightly weak in Latur on arrivals from new crop. STC invited tenders to sell 80 tonnes of Lemon Tur Whole. Thus, prices are expected to remain steady to slightly firm until arrivals from fresh crop reach the markets.

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

| Date     | Burma Spot Delhi | Burma Spot Mumbai (New) |
|----------|------------------|-------------------------|
| 03.12.07 | 2660             | 2550                    |
| 04.12.07 | 2700             | 2540                    |
| 05.12.07 | 2625             | 2530                    |
| 06.12.07 | 2640             | 2550                    |
| 07.12.07 | 2620             | 2525                    |
| 08.12.07 | 2610             | 2510                    |

#### Tur Prices in secondary markets

| Centres and Grade        | 08.12.07  | 01.12.07 |
|--------------------------|-----------|----------|
| Gulbarga - Red Tur (New) | 2850      | 2665     |
| Latur Red Tur (New)      | 3100      | 3000     |
| Latur White tur          | 3000      | NA       |
| Jalna Red                | 2600-2700 | 2700     |
| Jalna White              | 2700-2750 | 2800     |
| Jalna BDM                | 2750      | 2800     |
| Akola Red Vidharbha Line | 2650      | 2740     |

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

| DATE     | Burmese FAQ new | Burmese ( Lemon Tur, Weeviled 15%) |
|----------|-----------------|------------------------------------|
| 01.12.07 | 560             | 580                                |
| 08.12.07 | 550             | 580                                |

## MOONG:

A more or less steady sentiment was witnessed in Moong spot markets during the week amidst the steady supply and supportive demand. Arrivals from the fresh crop started to decrease little bit. But, according to trade sources, farmers still have considerable amount of stock. Prices of Pedishewa Moong in Mumbai, Kishangarh line in Delhi and Maharashtra line in Indore remained lower at Rs.2350-2300 per quintal, Rs.2400-2300 per quintal and Rs.2300-2250 per quintal respectively. Meanwhile, STC invited tenders to sell 2,000 tonnes of Green Moong Whole. Thus, prices are expected to remain range bound with slight weak bias due to better arrivals in the market.

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

| Date     | Maharashtra Chamki (Delhi) | Indore |
|----------|----------------------------|--------|
| 01.12.07 | 2400-2500                  | 2300   |
| 08.12.07 | 2300-2400                  | 2300   |

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

| Centres | 08.12.07  | 01.12.07  |
|---------|-----------|-----------|
| Latur   | 1700-2050 | 1700-2050 |
| Jalna   | 2000-2200 | 2100-2400 |
| Akola   | 2225      | 2200      |
| Kanpur  | 2300      | 2300      |
| Indore  | 2300      | 2300      |

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

| Date     | Burmese Tengushewa | Burmese Pedishwa |
|----------|--------------------|------------------|
| 01.12.07 | 600-620            | 730              |
| 08.12.07 | 610-620            | 700              |

## CHICKPEAS:

The downtrend in Chana spot prices continued across the country during the week starting from 3rd December due to poor demand and higher arrivals from the stocks. The average prices of Rajasthan origin Chana in Delhi and Bikaner (loose) remained weak at Rs.2245-2240 per quintal and Rs.2080-2090 per quintal respectively. Prices also dipped in Latur, Jalna and Akola. The average arrivals in Delhi again increased to 55-60 motors, whereas arrivals in Bikaner markets were around 150-200 bags. Meanwhile, STC Invited bids to sell 31,500 tonnes of Whole Yellow Peas, which is cheap alternative to Chana. Government is continuously importing Chana and Peas. US's and Canada's export of Pulses to India has also increased considerably as Canadian Field Pea shipment for the first four months of 2007-2008 is 17 per cent higher than that of last year due to massive increases in export of peas to the Indian subcontinent. Moreover, according to ABARE's forecast, Chickpea production in Australia would increase to 3,13,000 tonnes against 2,32,000 tonnes in 2006-07 that is likely to bring down the quotations of Australian Chickpea in the coming days, which is currently at a higher level of \$580-\$590. It would push the prices further downward in short and medium term.

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

| Date     | Delhi (Rajasthan) | Indore (Kantewala) |
|----------|-------------------|--------------------|
| 03.12.07 | 2240              | 2140               |
| 04.12.07 | 2265              | 2160               |
| 05.12.07 | 2265              | 2160               |
| 06.12.07 | 2250              | 2140               |
| 07.12.07 | 2200              | 2120               |
| 08.12.07 | 2175              | 2060               |

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

| Centres                     | 08.12.07 | 01.12.07 |
|-----------------------------|----------|----------|
| Bikaner (Desi)Loose         | 2000     | 2080     |
| Latur (Gauran)              | 2000     | 1900     |
| Latur (Annagiri)            | 2000     | 2050     |
| Latur (G-12)                | 1950     | 2000     |
| Jalna (Gauran)              | 1800     | 2050     |
| Jalna (Pila)                | 1950     | 2200     |
| Akola (Mixed) motor cut     | 1925     | 2075     |
| Akola new (Chapa) motor cut | 2000     | 2150     |
| Kanpur (mandi rates)        | 2225     | 2250     |

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

| Date     | Tanzania Yellow Gram (Mumbai) | Australian Chickpea |
|----------|-------------------------------|---------------------|
| 01.12.07 | 580                           | 580-585             |
| 08.12.07 | 575                           | 580-585             |

## MASOOR:

A slightly weak sentiment was seen in Masoor spot markets during the week due to decreasing demand from the eastern parts of the country. The prices in Delhi, Indore and Kanpur market moved around Rs.2900-2875 per quintal, Rs.2780-2740 per quintal and Rs.3025-3000 per quintal respectively. Though supply status is not satisfactory in the markets due to off-season, but decreasing demand may push the prices slightly lower in the coming week.

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

| Date     | Kanpur | Indore |
|----------|--------|--------|
| 03.12.07 | 3000   | 2740   |
| 04.12.07 | 3000   | 2750   |
| 05.12.07 | 3000   | 2780   |
| 06.12.07 | 3025   | 2780   |
| 07.12.07 | 3025   | 2760   |
| 08.12.07 | 3025   | 2750   |

## FIELD PEAS:

Peas spot prices eased little bit during the week due to arrivals of imported commodity in the country as prices of White Canadian Peas in Mumbai remained slightly weak at Rs.1980-1950 per quintal. But, prices of Desi Peas in Kanpur traded firm at Rs.2140-2100 per quintal due to lower availability. Meanwhile, STC Invited bids to sell 31,500 tonnes of Whole Yellow Peas. According to news sources, Canadian Field Pea exports increased against last year in November due to massive increases in export shipments of peas to the Indian subcontinent, which would bring down the prices in coming days, as few vessels are also expected to arrive at Kolkata, Vishakhapatnam, Mumbai and Tuticorin port in December-January.

### Peas Price Movement (Rs/qt)

| Offers   | Kanpur New | Mumbai Peas(WC) |
|----------|------------|-----------------|
| 01.12.07 | 2115       | 1980            |
| 08.12.07 | 2070       | 1960            |

## NEWS

### US Pulses Export to India Increased by 233 per cent in 2006-07

According to the USDA data, the export of Pulses jumped up to \$ 48.44 million during October 2006 to September 2007 as against \$ 14.56 million last year. United States' export of agricultural, fish and forestry products to India has increased by 37.74 per cent to \$ 467.62 million in 2006-07 as compared to previous year.

### Increase in Canadian Field Pea Exports

According to news sources, Canadian Field Pea exports increased against last year in November. Lifting shipment for the first four months of 2007-2008 is 17 per cent higher than that of last year. Massive increases in export shipments of food quality peas to the Indian subcontinent are the main reason in rise in volume of export.

### STC Invited Quotations to Sell 31,500 tonnes of Whole Yellow Peas

STC invited bids to sell 31,500 tonnes of Whole Yellow Peas No.2 or better of Canadian origin. Out of total quantity; 10,500 tonnes to be discharged at Vishakhapatnam port, while rest 21,000 tonnes will be offered at Kolkata port.

### Substantial Increase in Pulses Production Expected in Australia in 2007-08

According to Australian Bureau of Agricultural and Resource Economics (ABARE), the Pulses production in Australia is expected to reach 1.223 million tonnes in 2007-08 crop season against 0.692 million tonnes in 2006-07. Chickpea production would increase to 3,13,000 tonnes against 2, 32,000 tonnes in 2006-07. In Queensland, Chickpea production is estimated to more than double in 2007-08 to 83,000 tonnes due to early rains in Central Queensland.

### Pakistani Farmers Switching Over to Pulses and Other Crops from Wheat

According to the feed back from its member, Farmers Associates Pakistan (FAP) opined that farmers in Pakistan are switching over to Pulses, Vegetables and Canola from Wheat. This is mainly due to cost of cultivation of Wheat in Pakistan exceeded Rs 500 per 40kg, and non-announcement of a support price for the 2008 crop by Pakistani Government.

## Futures Market (NCDEX)

### Chana

Chana futures prices dipped further during the week, after negligible recovery on the first two days of the week. The most active NCDEX January contract traded in the range of Rs.2280-2203 per quintal. The MCX January contract traded in the range of Rs.2281-2197 per quintal. During the period, both Volumes and Open Interest increased significantly.

### PRICE DRIVERS:

- Releasing of old Chana stock to make room for fresh crop.
- Poor demand in the market due to deterioration in quality (weeviled).
- Considerable increase in expected Chickpea production in Australia, which would bring the quotations down from present higher level of \$580-\$590.
- STC Invited bids to sell 31,500 tonnes of Whole Yellow Peas.
- Expected arrivals of few vessels containing peas in Kolkata, Vishakhapatnam, Mumbai and Tuticorin ports during December-January.
- The MCX and NCDEX combined stock is lower at 5,678 tonnes.

### OUTLOOK:

**Short Term (One Week):** Steady to slightly weak on poor demand and continuous healthy arrivals from the stock.

**Medium Term (One Month):** Range bound with firm inclination due to expected shortage in supply before harvesting of fresh crop.

**Long Term (Three Months):** Slightly weak on arrivals of fresh crop in the market.

### Chana (MCX January Contract)

|                 |                  |              |      |
|-----------------|------------------|--------------|------|
| Support-1       | 2173             | Support-2    | 2143 |
| Resistance-1    | 2257             | Resistance-2 | 2276 |
| <b>Strategy</b> | Sell on rallies. |              |      |

### Chana (NCDEX January Contract)

|                 |                  |              |      |
|-----------------|------------------|--------------|------|
| Support-1       | 2182             | Support-2    | 2167 |
| Resistance-1    | 2260             | Resistance-2 | 2271 |
| <b>Strategy</b> | Sell on rallies. |              |      |

#### Forex as on 08.12.07

| Country/ Continent | Currency | Value in Rupees |
|--------------------|----------|-----------------|
| USA                | Dollar   | 39.40           |
| European Union     | Euro     | 57.58           |
| Japan              | 100 Yen  | 35.94           |
| United Kingdom     | GBP      | 81.78           |

#### Latest Vessel Position

Vessel ETA is expected to arrive at Vishakhapatnam port on 23.12.07 to offload 10,500 tonnes of Yellow Peas. Vessels MV M. Emir Aksoy also sailed from Vancouver to reach Kolkata port (Diamond Harbour/Sagar) to offload 21,000 tonnes of Yellow Peas. 363.22 tonnes of Dun Peas has been shipped from Australia and is expected to arrive at Tuticorin port around 18.12.07.

#### Weather Outlook for the Week Ending On 12th Dec, 2007

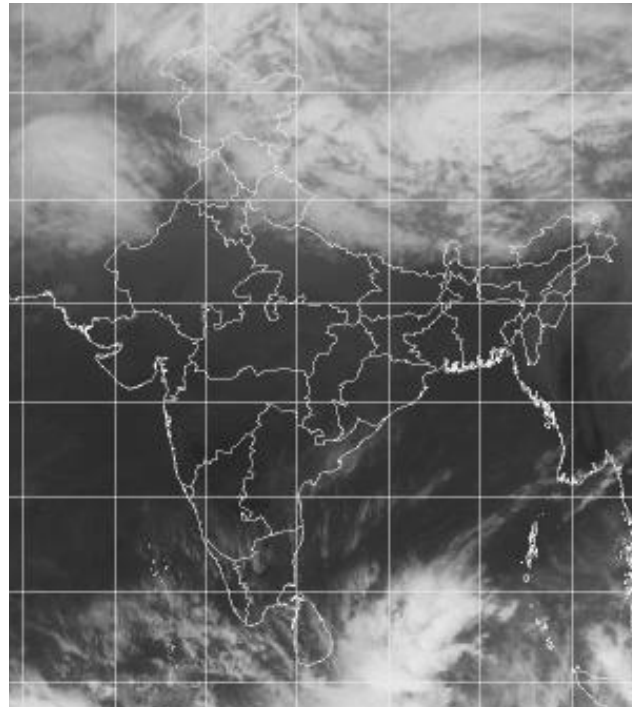
- Isolated to scattered rain/thundershowers are likely over extreme south peninsula.
- Under the influence two western disturbances, isolated to scattered precipitation is likely over western Himalayan Region and adjoining northern plains during the week.
- No significant change in night temperatures during first half of the week and rise in night temperatures by 2-3°C during second half of the week is likely over plains of northwest & adjoining central India.

#### Crop -Weather Impact

| Commodity      | States                                      | Crop Stage                         | Impact   |
|----------------|---|------------------------------------|--|
| Urad (Kharif)  | TN, Assam                                   | Vegetative/pod maturity/harvesting | Expected rainfall will be helpful in TN  |
| Moong (Kharif) | TN, Assam                                   | Vegetative/pod maturity/harvesting | Expected rainfall will be helpful in TN  |
| Tur (Kharif)   | Punjab, TN, WB                              | Sowing                             | Irrigation needed in dry areas   |
|                | WB, Assam, Haryana, Orissa and Bihar        | Pod formation/maturity             | Dry weather will be beneficial for the crop.   |
| Chana          | Maharashtra, MP, Punjab, Haryana, Rajasthan | Land Preparation/Sowing            | Expected scattered rainfalls in northern plains will be helpful and Irrigation is needed in other areas. |

#### Weather Map

08.12.2007



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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