

Pulses Fortnightly Report

Fundamentals: Chickpeas (Chana)

Chana prices witnessed steady to weak trend during the fortnight. Consistent arrival of new crop in both MP and Rajasthan has restricted upward movement of chana prices and put cap on rising spot prices. Average daily arrivals in entire Rajasthan during current year is reported at around 1,25,000 bags, higher than last year's average arrival of 50,000-60,000 bags during the same period. Due to the considerable increase in the output in Rajasthan (more than 50%) and consistent arrival, spot prices in Rajasthan during current year is almost similar to that to last year during the same period (Rs 2125-2200/qttl).

While average daily arrivals in MP during the fortnight are recorded at around 50,000 bags, similar to that of previous fortnight. Prices in local markets of MP are higher than that of in Rajasthan due to the consistent local demand in MP. Delhi based traders are not finding parity in MP chana and due to this, arrivals in Delhi market are coming from Rajasthan only.

Due to the comfortable supply of the commodity, stockists in all the major consuming centers have maintained adequate stock level and this will result in higher carry-out stocks. As per trade participants, stock position in Bikaner and Delhi till date is reported at 25 lakh bags and 15 lakh bags respectively and new crop arrival pressure will remain in the spot markets of Rajasthan for atleast one more month and this will further increase the stock position in the markets and leaves a good carry-out stock.

Chickpeas Prices at Key Centers (Rs/Qtl)

Origin/Grade	Centre	28.04.11	13.04.11
Chana (Australia)	Mumbai	2250	2275-2300
Rajasthan Desi	Delhi	2230-2235	2200-2275
M.P. Desi	Delhi	2290-2300	2200-2275
Desi (Loose)	Bikaner	2180	2200
Kantewala	Indore	2310	-
Gauran New	Latur	2250-2500	2300-2500

International Price Offer for Chana (Indicative) USD/MT C&F

Date	Tanzania Chickpeas (Mumbai)	Australian Chickpeas (Mumbai)	Australian Chickpeas (Chennai)
28.04.11	-	-	-
13.04.11	-	-	-

Other Pulses: Black Matpe / Black Gram (Urad)

Urad prices witnessed steady to weak sentiments in the spot markets during the fortnight. Despite of the tight supplies of desi urad in spot markets, prices moved in southwards direction due to the unresponsive demand during the fortnight. As per the trade participants of Indore, stock of desi urad in the market is reported at 15000 bags only but inflow of imported urad has resulted in comfortable availability and restricted urad prices to move in northwards direction.

If we look at the import front, India has imported 4.36 lakh tonnes of urad from Myanmar during 2010-11 compared to the last year's import of 6.23 lakh tonnes, which indicates better domestic production during current year. But despite of the better domestic output, urad prices are expected to remain on firm side during coming fortnight due to the negligible carry-out stock position.

Now, monsoon is the crucial factor and provides further direction to domestic urad prices. IMD has forecasted a normal monsoon during 2011-12 kharif season and this has raised the prospects of better output during second consecutive year and hence controls the urad prices in near term

Urad Price (Rs/Qtl) & Arrival (Bags) at Different Centers

Centre / Origin / Grade	28.04.11	13.04.11	Arrival 28.04.11	Arrival 13.04.11
Mumbai Burma FAQ	3950	4225	1500	-
Delhi Burma FAQ	4100	4350		
Indore Desi	4200	-		
Vijayawada Polished	4700	5100	1000	500
Jalgaon Desi	4000-4200	-	100	-
Latur Desi	2700-3200	3200-3300	200	200

International Price Offer for Burmese Urad FAQ & SQ (Indicative) USD/MT C&F

Date	FAQ (Mumbai)	SQ (Mumbai)	FAQ (Chennai)	SQ (Chennai)
28.04.11				
13.04.11	970	-	980	1180

Pigeon Pea / Red Gram (Tur / Arhar)

Mostly a weak tone featured in major Tur cash markets during the period. Sluggish demand of the commodity throughout the fortnight kept weighing on desi tur prices. Additionally, arrival of new crop in some markets of Maharashtra till date is also supporting to the bearish sentiments as average daily arrival of 1500-2000 bags is reported in Jalna mandi (during current fortnight) but if we talk about last year, new crop arrivals were almost finished in Maharashtra by this time and it indicates good stock of the commodity with the farmers and this will restrict any major uptrend in domestic tur prices in near term. As per trade participants, stock of tur in Gulbarga market is reported at around 10-11 lakh bags (new crop) while in Jalna market it is reported at around 1 lakh bags, which reflects comfortable stock of the commodity in entire India and is sufficient to meet the domestic requirement till new crop. Moreover, monsoon during coming kharif season (2011-12) will also provide direction to its prices as predictions of normal monsoon by IMD have raised the prospects the better crop during second consecutive year and hence keep the domestic prices under control in coming days.

If we talk about the global front, global trading activities remained subdued due to the water festival in Myanmar but global tur prices are still hovering at higher side and Indian importers are not finding parity at current levels and this might further decline international tur prices.

Tur Prices (Rs/Qtl) & Arrival (Bags) at Different Centers

Centre / Origin / Grade	28.04.11	13.04.11	Arrival 28.04.11	Arrival 13.04.11
Burmese Lemon New Mumbai	3200	3425-3450		
Burmese Lemon New Delhi	3350-3400	3650-3700		
Red Tur Gulbarga	3600	3100-3900	7000	12000
Red Tur Latur	3900	3800-4050	5000	5000
White Tur Latur	3700-3900	3400-4000	2000	1000
Red Tur Indore	3300	-	700-800	-
Red Tur (New) Jalgaon	3500-3700	-	800	-

International Price for Tur (Indicative) USD/MT C&F

Date	Burmese (Red Lemon Tur) Mumbai	Tanzania (Tur Arusha) Chennai
28.04.11		
13.04.11	1030	575

Masoor (Lentil)

A steady to weak tone featured in masoor cash markets during the fortnight. Regular arrival of new crop amid poor offtake at higher levels kept weighing on masoor prices throughout the fortnight. Stockists are refilling their stock level and it is believed that supply will remain comfortable throughout the year and will leave a good carryout stock for next year and this has pressurized desi masoor prices.

Despite of the projections of lower crop during current compared to the last year prices during last fortnight remained lower by around Rs 500-600/qtl compared to the last year during the same year due to the sufficient carry-in stock during current year. Prices of Canadian masoor in domestic markets are lower compared to the desi masoor as quality of Canadian masoor is inferior compared to the desi masoor and due to this buyers are more interested in buying desi masoor. Since domestic markets will receive new crop for another next two months, therefore masoor prices will remain on softer note.

If we talk about global front, Canadian farmers are expected to cover less area under masoor during 2011-12 compared to 2010-11 as dull demand for masoor in global markets had resulted in sharp decline in global masoor prices and this will force Canadian farmers to shift masoor area in some other crops.

Masoor prices are likely to witness steady to weak tone in near-term.

Masoor Prices (Rs/Qtl) & Arrival (Bags) at Different Centers

Centre / Origin / Grade	28.04.11	13.04.11	Arrival 28.04.11	Arrival 13.04.11
Mumbai (Red Lentil)	2700-2950	3050-3125		
Delhi-Chanti Export	4050-4100	4300		
Delhi- New MP/kota Line	2850-2900	3000-3075		
Delhi-UP Sikri Line	3100	3150-3200		
Kanpur local mill delivery	3025	3200	800	2000
Kanpur -Bareilly Delivery	3070	3250		
Indore- Masra	3025	-		
Indore- Medium	3075	-	1000	

International Price for Masoor (Indicative) USD/MT C&F

Date	Yellow Lentil (Laird)	Yellow Lentils (Richlea)	Red Lentils
28.04.11	-	-	-
13.04.11	-	-	-

Moong

Moong prices witnessed a steady to firm tone during the fortnight. Demand of moong remained sluggish during last fortnight and due to this no major movement is recorded in domestic moong prices. Despite of the very tight supplies, moong prices remained range bound as traders are not getting fresh enquiries from millers.

Arrival of summer crop from different states will fulfill the annual demand till new crop arrival and this will further keep the prices under control. However, monsoon during coming kharif season will further decides its price movement in near term and predictions of normal monsoon by IMD will encourage farmers to bring more under moong and increases the chance of better crop during second consecutive year and this will further keep the prices under control in coming days.

International moong prices also ruling steady due to the consistent buying support. However, buying from China has reduced during past few weeks and this could result in moderate decline in global moong prices.

We expect moong prices to remain range bound with firm bias in coming days.

Moong Prices (Rs/Qtl) & Arrival (Bags) at Different Centers

Centre / Origin / Grade	28.04.11	13.04.11	Arrival 28.04.11	Arrival 13.04.11
Mumbai Pedishewa	-	-	700	20-25Motors
Chennai Moong Pedishewa	-	5800-5900		
Delhi-UP Line	-	-		
Delhi - Moong Mertha City	5200	5800		
Indore-Chamki	5100	-		
Kanpur Desi	-	4200-4250		
Jalna New Moong	3500-4500	3500-4500	1000	-
Akola Chamki	4300-5000	-		
Jaipur Moong	3800	4000-4500	10000	10000

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

Date	Moong (China)	Moong Annashewa (Burma)	Moong Pedishewa (Burma)
28.04.11			
13.04.11	-	1150	1450

Field Peas

Mostly a steady to weak tone featured in key peas cash markets. Weak demand for desi peas at higher levels reduced its prices during the fortnight. Supply crunch of desi peas is trying to increase its prices but comfortable supply of chana is restricting peas prices to move in northwards direction.

Due to the projections of lower crop during current year peas prices during current year (last fortnight) are higher by around Rs 500/qtl compared to the last year during the same period. Indian importers are finding huge disparity in imported peas and this has also increased the demand for desi peas in domestic markets. Demand for peas will further improve in coming fortnight due to the marriage season and this will further support its prices in coming days.

At the global front despite of the high peas prices, peas acreage in Canada during 2011-12 is likely to be lower by around 13% compared to the last year as farmers have received better returns in Canola during last season and this will encourage farmers to shift some of the peas area into Canola.

Given the above factors, peas prices are expected to decline in near term.

Peas Prices (Rs/Qtl.)

Date	Mumbai Canadian White Peas	Mumbai White American	Kanpur Desi New (Factory delivery)
28.04.11	1781-1791	1840-1845	2100
13.04.11	1841	1911-1921	2220

The current offer for Canadian yellow peas is USD 430-440 per MT C&F Indian ports respectively.

Weather Watch:

States	Weather	Crop Impact
Andhra Pradesh	Dry Weather	No impact on crop.
Maharashtra	Mainly Dry Weather	No impact on crop.
Karnataka	Widespread rainfall during next couple of days	No impact on crop.
Madhya Pradesh	Mainly Dry Weather	Helpful in harvesting of chana.
Rajasthan	Mainly Dry Weather	Helpful in harvesting of chana.
UP	Mainly Dry Weather	No impact on crop.

Key Finding:

1. Weak demand of all the pulses at higher levels kept weighing on prices throughout the fortnight.
2. Predictions of normal monsoon during coming kharif season have raised the chances of better kharif output during second consecutive year.

Forex as on 28.04.11

Country/ Continent	Currency	Value in Rupees
USA	Dollar	44.33
European Union	Euro	65.78
Japan	100 Yen	54.24
United Kingdom	GBP	74.13

Technical Outlook:

- Chana futures witnessed weak trend during the fortnight.
- Chana prices could not sustain at higher levels and fell down after taking support of 9 days EMA.
- Closing of prices below short term EMAs (9 & 18 days) suggests weakness in prices.
- RSI is moving down in overbought category, thus warranting the bears.
- MACD is moving down in negative zone thus strong selling pressure.
- It is advisable to sell from higher levels.

Trade Recommendation - Chana NCDEX (Jan.)

Call	Entry	T1	T2	SL
SELL	>2390	2330	2315	2425
Support & Resistance				
S2	S1	PCP	R1	R2
2312	2330	2379	2400	2423



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