

Chickpeas (Chana)

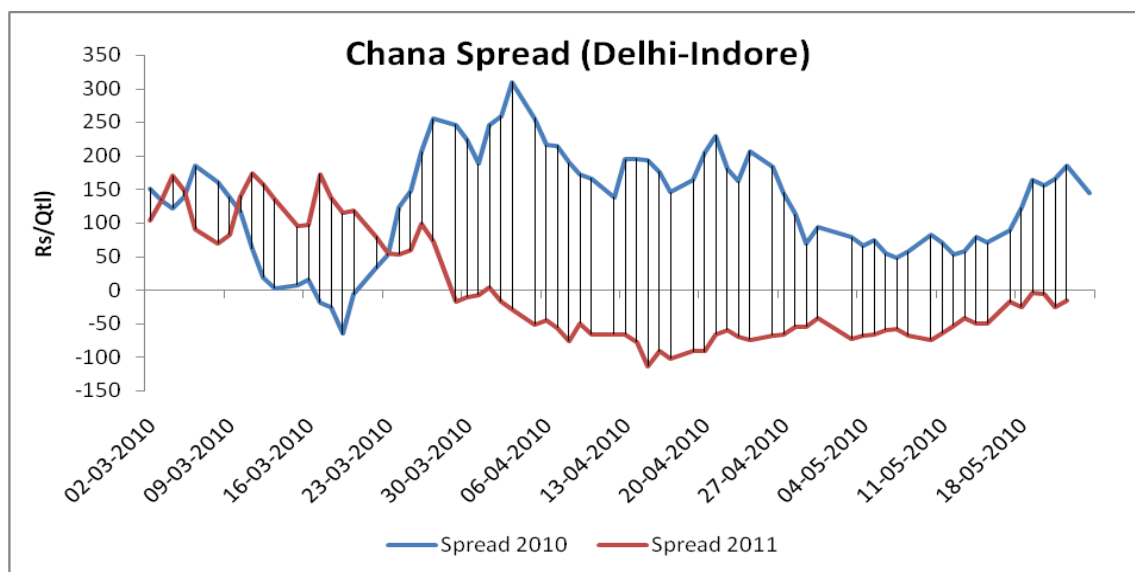
Market Recap:

Reduced arrival of chana amid declining arrivals from key growing states (Rajasthan and Madhya Pradesh) due to the marriage season has supported the prices in all the markets throughout the week. Chana prices have improved by 3.68% in Delhi, 1.22% in Indore and 4.01% in Bikaner market respectively during last week (week ending May) compared to the previous week. Also most of the stocks are with stockists who are unwilling to sell at lower prices aiding firmness besides expected decline in Chickpeas (chana) area in Australia.

Current Market Dynamics & Outlook:

As the new crop arrival season comes to an end, arrivals in two major producing states Rajasthan and Madhya Pradesh (MP) are declining continuously. In Rabi 2010-11 Rajasthan has witnessed bumper chana production due to increased acreage and better yields but on contrary frost like conditions in MP during early January 2011 had affected the yield of the commodity which in turn resulted in lower chana output (lower by 10% compared to last year) in 2010-11 season. Given the situation in MP, arrivals declined this year as a result of which chana prices increased in the state (prices during current week are higher by around 17.48% in Indore market from last year's prices during the same period) and consequently resulting in disparity for buyers in Delhi from March end onwards.

Spread chart for Delhi and Indore chana:



Below mentioned table reflects the arrival scenario in benchmark markets:

	Current Week (May 18 to 24, 2011)	Previous Week (May 11 to 17, 2011)	Month Ago (Apr 18 to 24, 2011)	Year Ago (May 18 to 24, 2010)
Delhi (Motors)	270	250	410	225
Indore (Quintal)	21700	9700	13000	24000
Bikaner (Quintals)	11500	17000	40000	3000

Note: 1 Motor = 16 Tonnes

As shown in the above table, Bikaner is receiving more arrivals due to better output while Indore received less arrivals during current year compared to the last year due to lower output this season compared to last year. Since in Delhi, Chana arrivals are mostly from MP and Rajasthan, therefore decline in arrival from MP was compensated by the increased supplies from Rajasthan.

International Scenario:

Moreover, forecasts of reduced acreage in Australia and Canada also provided support to falling chana prices. Chana area is intended to fall by 19% and 45% in Canada and New South Wales (Australia) during 2011-12 compared to the last year's area due to the better returns in alternative crops. Projections of reduced acreage in the aforesaid countries have raised the worries of tight supplies in global markets, resulted in sharp increase in chana prices in both domestic and in international market.

Market Outlook:

Chana prices are expected to remain range bound with firm bias on declining arrivals and expected decline in chana acreage in Canada and Australia. However, stockists may take opportunity of rising chana prices and may gradually offload their stocks which will keep chana prices in check.

Price Outlook:



We expect chana prices (at Delhi market) will improve further in coming week due to the decline in arrivals from Rajasthan and might reach to 2522 level (MP Chana). 2522 level will act as a strong resistance and chana prices are expected to come back up to 2450 level due to the adequate stock of the commodity in domestic markets. It is advisable to hold the stock till the resistance level.

Domestic Prices & Arrivals:

Centre		Prices (Rs/Qtl)			
		25-05-2011	18-05-2011	25-04-2011	25-05-2010
Mumbai	Australian	2650	2275	2250	2350
Delhi	Rajasthan	2425	2365-2370	2200-2225	2150
	Madhya Pradesh	2475	2425	2200-2225	2150
Bikaner	Desi	2350	2280	2170	2175
Indore	Kantewala	2480	2375	2300	2050
Kanpur	Desi	2650	2600	2360	2160
Latur	Gauran	2300-2600	2250-2575	2250-2500	1980
	Annagiri	2600	2600	2500	2100
	G-12	2400	2300-2350	2375	-

Centre		Arivals (Bags per Quintal)			
		25-05-2011	18-05-2011	25-04-2011	25-05-2010
Mumbai	Australian	-	-	-	-
Delhi	Rajasthan	50-60	40-45	100	40
	Madhya Pradesh	50-60	40-45	100	40
Bikaner	Desi	1500	2000	5000	500
Indore	Kantewala	7000	1000-1200	2000	4000
Kanpur	Desi	1500	800-900	700-800	1000
Latur	Gauran	700	700	2000	-
	Annagiri	100	400	300	500
	G-12	200	300	700	-

Processed Chana Rates:

Centre	Prices (Rs/Qtl)			
	25-05-2011	18-05-2011	25-04-2011	25-05-2010
Jalgaon	3000	2900-3000	2900-3000	2500
Latur	2900	2800	2800	2500
Akola	2800-2850	2825	2850-2950	2400-2600
Kanpur	3000	2925	2550	2525
Bikaner	2850	2750	2850	2525
Indore	3350	3400-3450	3200	2850
Delhi	2850	2750-2875	2650-2750	2525
Gulbarga	3100-3200	2900-3000	2950-3000	-

Peas (Matar)

Market Recap:

Peas prices witnessed steady to firm sentiments during the week as supply crunch of desi peas kept its prices on higher note while comfortable availability of imported peas in domestic markets restricted uptrend in its prices. Desi peas production during current year was lower than the last year and due to this, availability remained stagnant against strong demand of the commodity.

Moreover, improvement in chana prices during current season also supported peas prices as difference between chana and peas prices (under normal circumstances) remains at Rs 500-

600/qtl. Since chana prices are higher in Kanpur market by Rs 500-600/qtl during current season compared to the last year, therefore peas prices also got support from chana and are ruling higher by Rs 500-600/qtl during current season compared to the last year during the same period.

International Scenario:

At the global front, significant decline in ending stocks in Canada during current year has already sparked international peas prices as yellow peas prices in Saskatchewan on May 11, 2011 was reported at US \$6.83/bushel higher from last year's prices US \$4.48/bushel during the same period. Moreover, acreage of the commodity is likely to fall by 20% during 2011-12 against previous year's acreage (due to the better returns in alternative crops such as canola and wheat) and this will further support international peas prices in coming days.

Market Outlook:

Peas prices are expected to move in tandem with chana prices as well as poor availability of desi peas. Higher parity of imported peas may also support the peas prices domestically. On the contrary higher imported peas stocks domestically (around 4 – 4.5 lakh tonnes lying in the ports) may keep a lid on rising peas prices.

Price Outlook:



Desi peas prices are expected to improve further in coming week. Since peas prices are above than the trend line and are expected to touch 2225 level in near term. 2225 level will act as a

good resistance level and from there prices are likely to move down up to 2150 level. Adequate availability of imported peas in domestic markets are expected to restrict major uptrend in desi peas prices. It is advisable to hold the stock till 2225.

Domestic Prices & Arrivals:

Centre		Price (Rs/Qtl)			
		25-05-2011	18-05-2011	25-04-2011	25-05-2010
Mumbai	White American	1900	1900	1840	1411
	White Canadian	1841	1841	1781	1361-1371
	Green American	2600	2600	2600	2250-2400
	Green Canadian	2100-2225	2100-2250	2150-2300	2000
Kanpur	Desi	2160	2150	2070	1560

Centre		Arrivals (Bags per Quintal)			
		25-05-2011	18-05-2011	25-04-2011	25-05-2010
Mumbai	White American				
	White Canadian				
	Green American				
	Green Canadian				
Kanpur	Desi	400	400-500		

Pigeon pea (Tur)

Market Recap:

Tur prices witnessed almost steady tone in most of the markets during the week ending May . Marginal improvement is reported in the demand but comfortable availability of the commodity in all benchmark markets kept weighing on its prices. Arrivals in Gulbarga during the week increased to 25100 bags----- up by 6500 bags as compared to last week and this has further supported bearish sentiments.

Regular inflow of Burmese tur in Indian markets has also added to the supply line which further keeping tur prices in check. Globally tur supplies are expected to remain comfortable as during 2010-11 tur crop increased in India while remained in the normal levels in Myanmar and other African countries, which may keep tur prices in check globally.

Meanwhile, farmers in Maharashtra are intending to increase the acreage during coming season by 15-20% compared to the previous year due to the better returns last season on

higher MSP and bouns. They are further hopeful that government may further increase the MSP of pulses for the current Kharif 2011. Besides, forecast of normal monsoon this year by IMD will also help the farmers to expand the area under the commodity and hence keep the prices under control.

Market Outlook:

Domestic Tur prices are expected to remain range bound with weak bias in coming days due to comfortable supplies both domestically and internationally and sluggish demand.

Price Outlook:



Desi tur prices could not sustained at higher levels and come down after touching trend line resistance. Tur prices might take support at 3510 level and if further closes below the support level then prices may fall up to 3430.

Domestic Prices & Arrivals:

Centre		Prices (Rs/Qtl)			
		25-05-2011	18-05-2011	25-04-2011	25-05-2010
Mumbai	Burmese Lemon	3125	3200-3300	3300-3325	4500
Delhi	Burmese Lemon	3225	3425	3500	4450
Chennai	Burmese Lemon	3000	3100	3250	4550
Gulbarga	Red	3630	3580	3500-3600	4200
Latur	Red	3000-3700	2900-3700	3900	-
Jalna	Red	-	2500-3000	2800-3200	-
Jalgaon	Red	3050-3500	3000-3500	3500-3700	4400-4500

Centre		Arrivals (Bags per Quintal)			
		25-05-2011	18-05-2011	25-04-2011	25-05-2010
Mumbai	Burmese Lemon	-	-	-	-
Delhi	Burmese Lemon	-	-	-	-
Chennai	Burmese Lemon	-	-	-	-
Gulbarga	Red	3600		11000	5000
Latur	Red	2000	2000	5000	-
Jalna	Red	-	300	-	-
Jalgaon	Red	400	200-300	800	

Processed Tur Rates:

Centre	Prices (Rs/Qtl)			
	25-05-2011	18-05-2011	25-04-2011	25-05-2010
Jalgaon	5700-5800	5700-5800	Unch	
Latur	5600	-	-	
Indore	5400	5400	Unch	
Gulbarga	5300-5400	5300-5400	Unch	
Katni	5500-5600	5500-5650	-50	
Katni (Sava)	4400-4500	4450-4550	-50	

Black Matpe (Urad)

Market Recap:

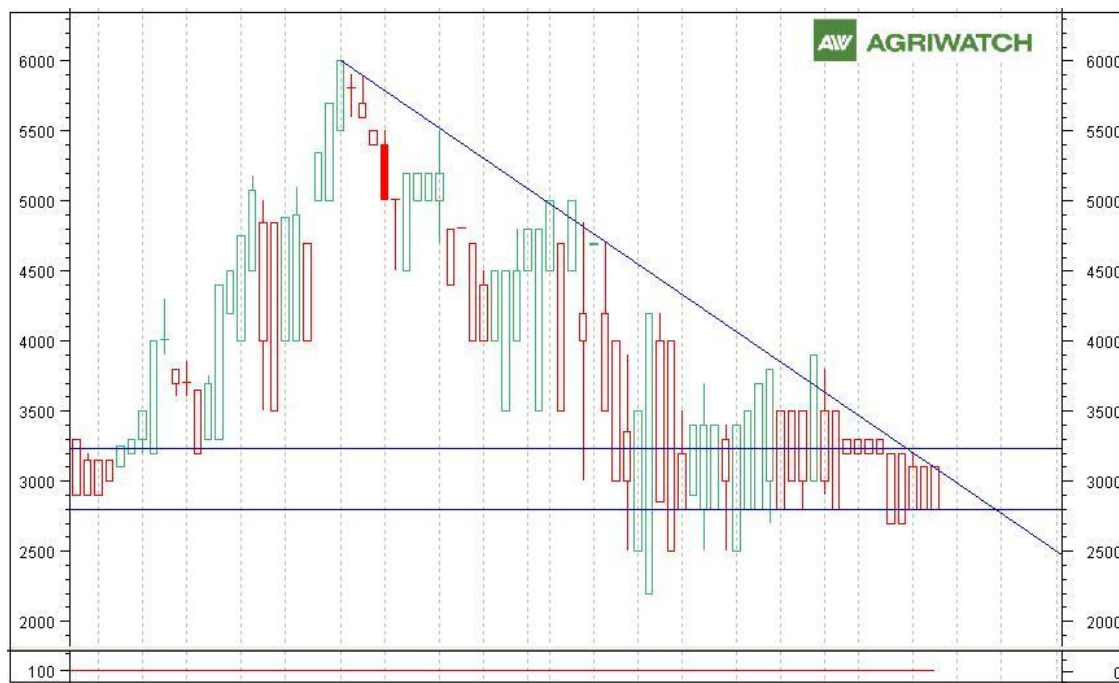
Desi urad witnessed steady to weak sentiments in most of the markets during the week amid sluggish demand of the commodity as buyers are unwilling to pay higher prices. However, tight supply scenario for desi urad limiting the fall in prices. On other hand, imported urad prices mostly improved during past couple of weeks on regular demand for imported urad by processors. Currently imports are going on smoothly as importers are finding parity at current price (more than Rs 2000/ton) which is keeping a lid on rising prices domestically to some extent. However, this may affect the prices in Myanmar and prices may go up from the current level of US \$815/MT (Urad FAQ) and US \$990 (Urad SQ)/MT on regular trade queries.

However, monsoon and MSP for Kharif pulses will remain the key factors for determining the actual price movement both in India and Myanmar. Like last year (2010-11) farmers in India are optimistic that government may increase the MSP for pulses this year also. If monsoon remains normal then are under urad likely to increase this year also. As per the telephonic survey conducted in Maharashtra, farmers are intending to increase the area by 15-20% compared to the last year.

Market Outlook:

Urad prices are expected to trade range bound with slight firmness in coming week due to tight supply of desi urad domestically and regular demand for imported urad from processors. However, inflow of Burmese urad will add to the supply pipeline and may restrict major uptrend in its prices.

Price Outlook:



Desi urad prices are moving range bound between 2800-3100 from last couple of weeks due to the sluggish demand of the commodity. However, urad prices are further expected to trade range bound in coming days in the same range.

Domestic Prices & Arrivals:

Centre		Prices (Rs/Qtl)			
		25-05-2011	18-05-2011	25-04-2011	25-05-2010
Mumbai	Burmese FAQ	4000	4050	4100	5251
Delhi	Burmese FAQ	-	4250	4250	5250
Chennai	Burmese FAQ	4050	4200	4200	5475
	Burmese SQ	4600-4650	4700	5000	5750
Indore	Desi	3500	4200	3800	4800
Vijayawada	Polished	4700	4800	4900	6000
Jalgaon	Desi	4000-4200	4200	4200	5500

Centre		Arrivals (Bags per Quintal)			
		25-05-2011	18-05-2011	25-04-2011	25-05-2010
Mumbai	Burmese FAQ	-	-	-	-
Delhi	Burmese FAQ	-	-	-	-
Chennai	Burmese FAQ	-	-	-	-
	Burmese SQ	-	-	-	-
Indore	Desi	-	-	-	-
Vijayawada	Polished	500	500	400	1000
Jalgaon	Desi	50-100	50-100	100	-

Processed Urad Rates:

Centre	Prices (Rs/Qtl)			
	25-05-2011	18-05-2011	25-04-2011	25-05-2010
Jalgaon	5700	5600	5800	7500
Bikaner (Split)	5500	5400	5500	6800
Indore	6500	6900	6700	8100

Lentils (Masoor)

Market Recap:

Sluggish demand of the commodity throughout the week kept weighing on its prices. In Kanpur market desi masoor prices declined by 2.31% during the week ending May compared to last week. Although masoor output in India is lower than last year but availability of the commodity

is sufficient amid carry-in from last year and reportedly regular imports from Canada keeping prices in check.

According to the trade sources, stock of Canadian lentils is reportedly sufficient in Indian markets and this is also supporting bearish sentiments. Normally, stock of Canadian lentils remains negligible in domestic markets but some stock of the commodity is reported in Mumbai market and this will weigh on masoor prices in near term.

On the global front, sowing of lentils has started in Canada and till May 16, 2011 around 35% of lentils have been seeded in Saskatchewan (Canada's leading Lentil's producer). Acreage under lentils in Canada during 2011-12 is forecasted to decline by around 20% due to the lower returns compared to the alternative crops but despite this international masoor prices are not expected to improve in coming days due to the higher ending stocks. Internationally lentil prices are expected to remain on slightly softer note on higher ending stocks and expected slow demand from India following sufficient stocks.

Market Outlook:

Desi masoor prices are expected to remain range bound with slight weakness in coming week on dull demand and reportedly sufficient stocks.

Price Outlook:



Desi masoor prices are finding immediate support at 2870 level. We believe that prices are expected to improve marginally from support level as steep decline in masoor prices might result in little improvement in demand at lower level.

Domestic Prices & Arrivals:

Centre		Prices (Rs/Qtl)			
		25-05-2011	18-05-2011	25-04-2011	25-05-2010
Mumbai	Red Lentils	2850	2700-2800	2950	3675-3700
	Chanti Export	4000-4100	4000-4100	4100-4200	4000-4100
Delhi	MP/ Kota Line	2850	2850	3050	3300-3350
	UP/ Sikri Line	3050-3100	3050-3100	3100	3650-3700
Kanpur	Mill Delivery	2900	3030	2950	3340
	Bareilly Delivery	2930	3070	2980	3420
Indore	Masra	2950	3000	3200	3550

Centre		Arrivals (Bags per Quintal)			
		25-05-2011	18-05-2011	25-04-2011	25-05-2010
Mumbai	Red Lentils				
	Chanti Export				
Delhi	MP/ Kota Line				
	UP/ Sikri Line				
Kanpur	Mill Delivery	2000	1500	2000	
	Bareilly Delivery				
Indore	Masra				

Processed Masoor Rates:

Centre	Prices (Rs/Qtl)			
	25-05-2011	18-05-2011	25-04-2011	25-05-2010
Kanpur (Malka)	3375	3450	3400	3900
Indore	3450	3600	3700	4200
Delhi (Badi Masoor)	3550	3550	3700	4200
Delhi (Choti Masoor)	4050	4100	4150	4750
Katni	3550	3650	3600	-

Green Gram (Moong)

Market Recap:

Moong prices witnessed mostly weak tone throughout the week. Sluggish demand of the commodity reduced moong prices by 11% in Jaipur market during the week. Moreover, commencement of summer moong arrival from Gujarat and inflow of moong from global markets has further added to the supply line and this had further pressurized moong prices to move in southwards direction. Although availability of the commodity is limited but current stock position will fulfill the requirement till new crop arrival.

Monsoon is the crucial factor for moong prices in near term as timely onset and distribution of monsoon will help the farmers in timely sowing of the crop. Any deviation in monsoon may spark moong prices domestically as the stocks are expected to decline steadily till new crop arrivals. And in such a situation exporters in Myanmar will exploit the market to their advantage.

On the global front, New South Wales (Australia) is expected to produce 21,125 tonnes of moong during 2011-12 compared to the 8870 tonnes produced during last year.

Market Outlook:

Moong prices are expected to remain range bound in near term. Tight supplies will restrict major downfall in its prices while dull demand of the commodity will keep the prices under control.

Price Outlook:



Moong prices are trading range bound between 4000-4500 levels from last few weeks. However new summer moong arrival has started and due to this new crop is selling at higher

rate. Overall sentiments remain same in the coming week and prices are expected to trade range bound between 4500-5000 (old & new) in coming week.

Domestic Prices & Arrivals:

Centre		Prices (Rs/Qtl)			
		25-05-2011	18-05-2011	25-04-2011	25-05-2010
Mumbai	Annaseva	4050	4000	3950	-
Chennai	Pedishwa	5500	5500	-	7100
Delhi	Mertha City	5400	5400	-	6800
	Rajasthan Line	-	-	-	-
Indore	Chamki	4700	4800-4900	5100	6500-6800
Kanpur	Desi	3800-4250	3800-4200	4100	-
Jaipur	Desi	3800-4300	4300-4800-	-	-

Centre		Arrivals (Bags per Quintal)			
		25-05-2011	18-05-2011	25-04-2011	25-05-2010
Mumbai	Annaseva	-	-	-	
Chennai	Pedishwa	-	-	-	
Delhi	Mertha City	-	-	-	
	Rajasthan Line	-	-	-	
Indore	Chamki	500	700	1000	
Kanpur	Desi	-	-	-	
Jaipur	Desi	205000	10000	10000	

Processed Moong Rates:

Centre	Prices (Rs/Qtl)			
	25-05-2011	18-05-2011	25-04-2011	25-05-2010
Jalgaon	6200-6300	6300-6400	6400	-
Bikaner (Split)	5700	5900	5400	-
Indore	6000	6200-6300	-	7600

Pulses Scenario at a Glance (International Markets):

Canada Pulses Outlook:

	Area Seeded	Area Harvested	Yield	Production	Imports	Total Supply	Exports	Domestic Use	Ending Stocks
	000 ha	000 ha	t/ha	000 MT	000 MT	000 MT	000 MT	000 MT	000 MT
Peas									
2010-11 f	1396	1322	2.17	2862	35	3692	2700	692	300
2011-12 f	1111	1070	2.24	2400	30	2730	2100	530	100
Lentils									
2010-11 f	1408	1336	1.46	1947	30	2022	1200	367	455
2011-12 f	1128	1095	1.48	1620	10	2085	1300	260	525
Chickpeas									
2010-11 f	83	77	1.67	128	7	155	75	65	15
2011-12 f	67	62	1.69	105	5	125	60	55	10

New South Wales (Australia) Outlook:

Region	Chickpea	Field Pea	Moong Production (Summer Crop)	
2011-12	hectares	hectares	Area (ha)	Output (tonnes)
North West	149,250	1,500	17200	17740
Central West	28,900	13,200	4300	3550
South West	5,820	38,750	50	50
Tablelands	0	400	0	0
Coastal	0	0	575	615
State Total	183,970	53,850	22125	21955