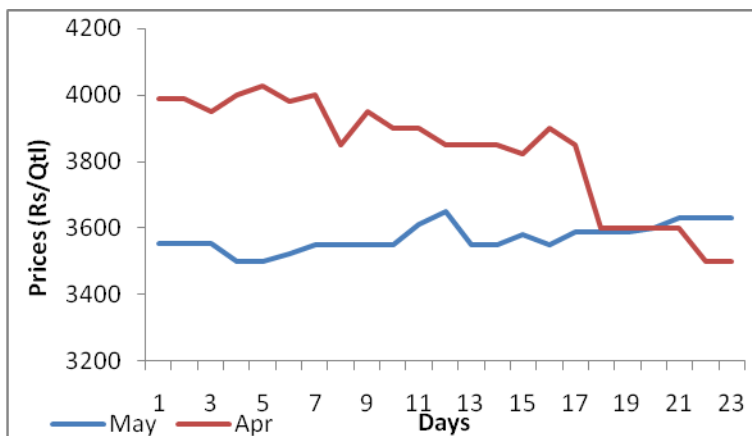


Pigeon Peas (Tur)

Market Recap:

Desi tur prices witnessed mostly weak tone in all the key markets during the month. Arrivals in Gulbarga market have reduced by more than 50% to around 100,000 bags during May 2011 compared to the previous month but buyers' unwillingness to purchase the commodity had reduced desi tur prices by 6.48% to Rs 3575/qtl (average monthly price- May 2011).

Good demand of the commodity during March 2011 due to the worries of lower domestic crop in 2010-11 moved domestic prices in northwards direction but consistent arrival of new crop put cap on rising tur prices during last couple of months. However, marginal improvement in demand is recorded at lower levels during May last and this has supported desi tur prices to some extent.



Current Scenario:

As India has recorded bumper tur production during 2010-11 and this is currently weighing on domestic tur prices. Moreover, sufficient carry-in stocks from last year have also added to the supply line and due to this total supply will exceed annual requirement, which in turn restrict tur prices to move in northwards direction.

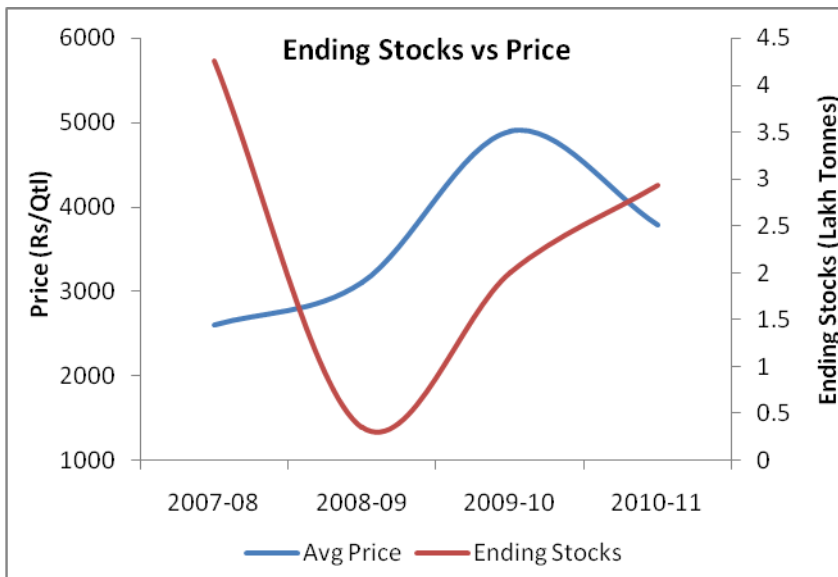
Attribute	2009-10	2010-11
Beginning Stock	0.036	0.2
Production	2.475	2.813
Imports	0.389	0.2
Total Availability	2.9	3.213
Export	0	0
Domestic Consumption	2.7	2.95
Total Demand	2.7	2.95
Ending Stocks	0.2	0.263

All figures in Million Tonnes

Above S&D (Supply & Demand) shows that tur output during current year increased by 13.66% and this has reduced import requirement during current season as imports are expected to fall by 48.58% compared to the last year. Consumption of the commodity during current season is expected to increase by 9.25% but with the help of higher output, beginning stocks and considerable imports, total availability of the commodity will exceed total requirement and this will leave significant ending stocks during 2011-12 and this has also forced domestic tur prices to move in southwards direction during May

2011. Projections of 31.5% increase in ending stocks during 2011-12 have made buyers optimistic for comfortable supply throughout the year and this has resulted into consistent fall in domestic tur prices.

Higher ending stocks during 2007-08 had adversely affected the price of the commodity but ending stocks during 2008-09 were sharply reduced due to the massive decline in tur production in 2008-09 and this had sparked domestic prices during 2009-10. But favorable weather during 2009-10 had once again improved tur output during the year and with the help of significant imports, total availability exceeded annual requirement and left sizeable ending stocks (4 times higher from 2008-09) which had resulted in steep decline in tur prices. Once again ending stocks during 2010-11 are projected to be higher from last year by 46.5% and this will further weigh on tur prices in near term.



Another supporting factor for bearish sentiments in tur is the IMD forecasts of a normal monsoon during current year with equal distribution of rainfall during the entire season which has raised the prospects of timely sowing of the commodity and India might witness bumper tur production for a second consecutive year. 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 bonus. They are also 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:

Considering the factors like projections of normal monsoon and higher ending stocks, domestic tur prices are expected to trade with week bias in coming month. Since tur prices are currently moving just above the MSP, therefore major downfall is also not expected in its prices.

Spot Technical:



*Prices starts from April 2006

- Tur prices could not sustain at higher levels and bounce back from trend line resistance level.
- Prices are moving below trend line, which suggests for weakness in its prices.
- 9 days moving average line cut 18 days moving average line and is moving in southwards direction, hints for further weakness in tur prices.
- RSI is rising in neutral zone, supporting bullish sentiments.
- Overall trend will remain bearish and selling from higher levels is advisable.

Tur- Gulbarga:

S2	S1	R1	R2
3300	3400	3895	4000
Call	Entry	T1	T2
SELL	< 3800	3500	3410

**Domestic Prices & Arrivals:**

Centre		Prices (Rs/Qtl)		
		30-05-2011	30-04-2011	30-05-2010
Mumbai	Burmese Lemon	3125	3125	-
Delhi	Burmese Lemon	3200	3400	-
Chennai	Burmese Lemon	3100	-	-
Gulbarga	Red	3500	3500	-
Latur	Red	3000-3600	2800-3500	-
Jalna	Red	2500-2800	2700-3100	-
Jalgaon	Red	3000-3200	3000-3500	-

Centre		Arrivals (Bags per Quintal)		
		30-05-2011	30-04-2011	30-05-2010
Mumbai	Burmese Lemon	-	-	-
Delhi	Burmese Lemon	-	-	-
Chennai	Burmese Lemon	-	-	-
Gulbarga	Red	6500	6000	4000
Latur	Red	2000	5000	1500
Jalna	Red	200	200	300
Jalgaon	Red	200-300	700-800	-

Processed Tur Rates (Dall):

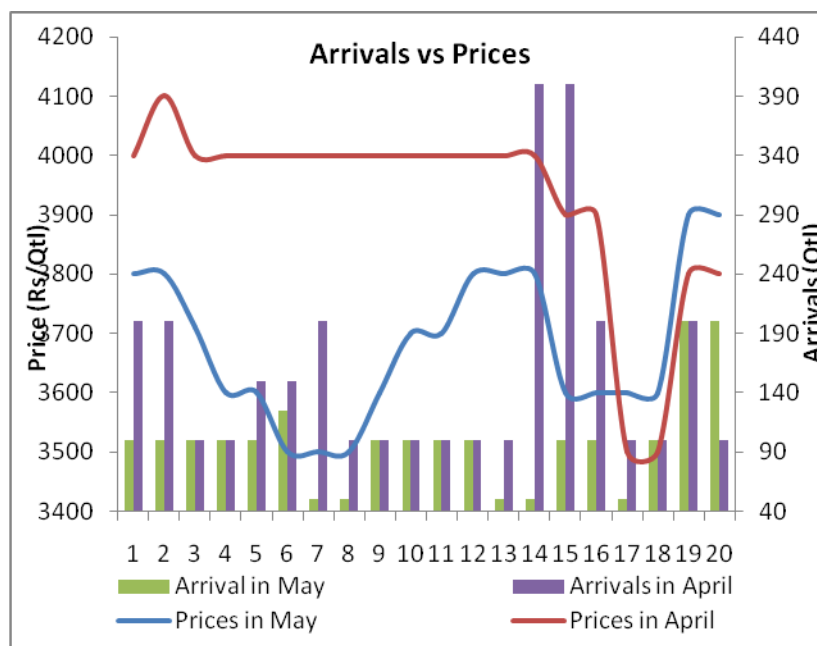
Centre	Prices (Rs/Qtl)		
	30-05-2011	30-04-2011	30-05-2010
Jalgaon	3000-3200	3000-3500	4400-4500
Latur	3000-3600	2800-3500	4300-4600
Indore	3050	3400	4400
Gulbarga	3500	3500	4250
Katni	-	-	-
Katni (Sava)	-	-	-

Black Matpe (Urad)

Market Recap:

Urad prices witnessed mostly steady to weak tone during the month. Although supply of the commodity remained tight throughout the month but sluggish demand of the commodity overshadowed the supply factor and kept weighing on its prices. Desi urad prices fell by more than 4% to Rs 3105/qtl (Average price during May 2011) compared to the previous month's prices in Latur market while prices reduced by more than 6% to Rs 3681/qtl (average price during May 2011) compared to previous month in Ashok Nagar market.

Despite the dwindling supplies, Urad prices remained stable in April 2011 and saw a marginal improvement in arrivals in mid April 2011 reduced its prices sharply and remained lackluster till first week of May 2011. However, marginal improvement in demand during second week of May 2011 due to the marriage season supported urad prices to some extent. With the improvement in demand for Burmese urad, desi urad also got support during third week of May 2011 and stockists could liquidate their stocks at higher levels.



Current Scenario:

Demand of the commodity (desi urad) is not so much responsive and this will restrict any major uptrend in its prices in coming month. Lack of fresh buying interest from millers and traders for desi urad has overshadowed the tight supplies factor and this will further affect its prices in near term also.

Attribute	2009-10	2010-11
Carry-In	0	0.06
Production	1.21	1.25
Imports	0.3	0.3
Total Availability	1.51	1.61
Exports	0	0
Dom. Consumption	1.45	1.5

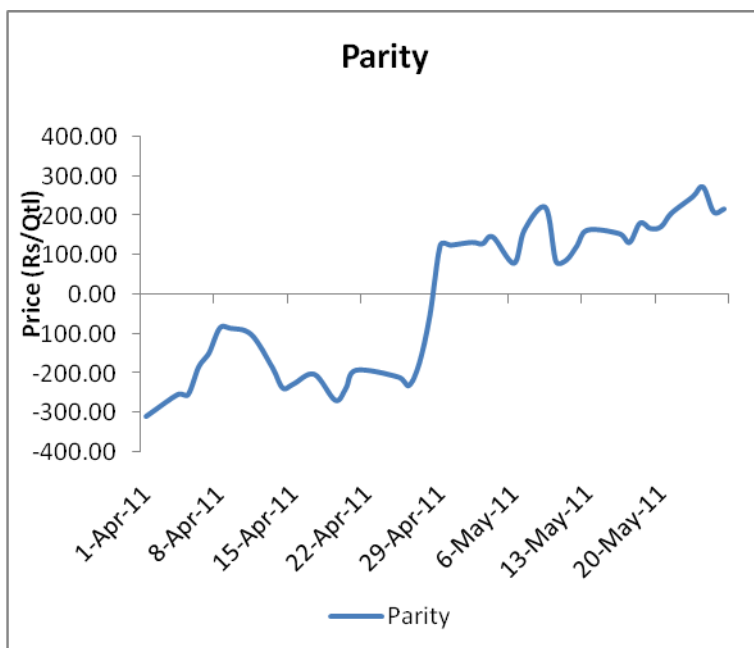
Total Usage	1.45	1.5
Carry-Out	0.06	0.11

All figures in Million Tonnes

Urad production during current year has increased by 3.3% to 1.25 million tonnes but domestic consumption is likely to increase by around 3.45% to 1.5 million tonnes during the year and due to this, India's import of the commodity is likely to remain unchanged. Higher production and considerable imports will result in higher ending stocks during current year compared to the previous year (ending stocks are likely to be double during 2010-11 compared to 2009-10). Projections of higher ending stocks during current year have restricted any major uptrend in its prices.

Another supporting factor for higher imports during current year is that international prices of urad have reduced sharply during last couple of weeks and due to this Indian importers are now finding parity in Burmese urad. Supply crunch of desi urad and considerable parity in Burmese urad has encouraged Indian importers to enter into fresh contracts with Burmese exporters and it will increase the availability of urad in domestic markets.

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 a 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 remain range bound during next month. Little demand for imported urad from processors and tight supply of desi urad in domestic markets will support urad prices in near term but projections of normal and timely onset of monsoon and farmer's intention to expand the area during 2011-12 will restrict any major uptrend in urad prices.

As India will have to rely on imports till fresh domestic arrivals and this will further influence domestic urad prices. But availability of the commodity in Myanmar is also sufficient (due to the normal output and high carry-in stocks during current year) and it will lead to comfortable supplies in international

markets and international prices are expected to remain under pressure, hence domestic prices will also move accordingly.

Spot Technical:



*Prices starts from August 2006

- Urad prices traded range bound between 2800-3100.
- Prices are moving below trend line, which suggests for weakness in its prices.
- 9 days moving average line cut 18 days moving average line and is moving in southwards direction, hints for further weakness in urad prices.
- RSI is moving down in neutral zone, supporting bearish sentiments.
- Overall trend will remain bearish and selling from higher levels is advisable.

Urad- Latur:

S2	S1	R1	R2
2705	2800	3312	3400
Call	Entry	T1	T2
SELL	< 3200	3050	2800

**Domestic Prices & Arrivals:**

Centre		Prices (Rs/Qtl)		
		30-05-2011	30-04-2011	30-05-2010
Mumbai	Burmese FAQ	3900	3950-3975	5325
Delhi	Burmese FAQ	4200	4200	5350
Chennai	Burmese FAQ	4000	4150	5625
	Burmese SQ	4600	4850	5921
Indore	Desi	3450	3800	4800
Vijayawada	Polished	4750	-	-
Jalgaon	Desi	4000-4200	4000-4200	5000-5500

Centre		Arrivals (Bags per Quintal)		
		30-05-2011	30-04-2011	30-05-2010
Mumbai	Burmese FAQ	-	-	-
Delhi	Burmese FAQ	-	-	-
Chennai	Burmese FAQ	-	-	-
	Burmese SQ	-	-	-
Indore	Desi	500-700	1000	-
Vijayawada	Polished	-	-	-
Jalgaon	Desi	50-100	100	-

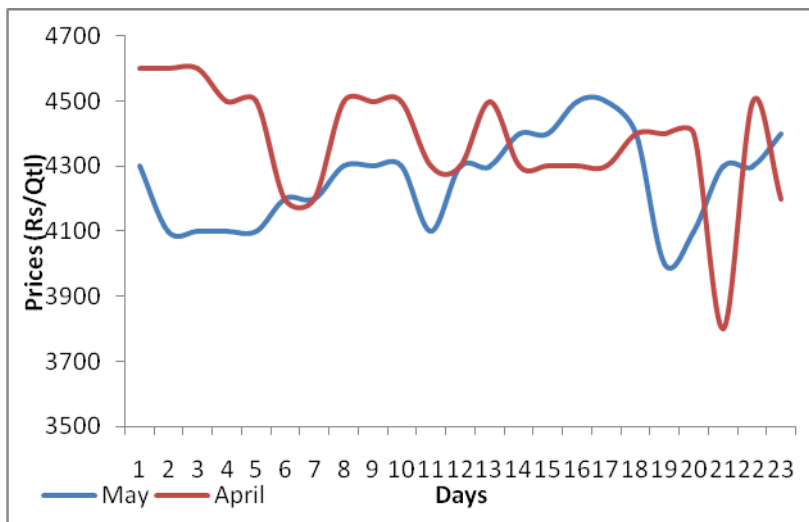
Processed Urad Rates (Dall):

Centre	Prices (Rs/Qtl)		
	30-05-2011	30-04-2011	30-05-2010
Jalgaon	5500-5600	5600-5800	7500
Bikaner (Split)	5300	5400	6900
Indore	6400	-	8100

Green Gram (Moong)

Market Recap:

Moong prices witnessed steady to weak sentiments in most of the markets during the month. Moong prices in Jaipur market have fallen by around 1.46% to Rs 4314/qrtl (average prices in May 2011) during the month while prices in Indore market have reduced by more than 5% to Rs 4913/qrtl (average prices in May 2011) during the month compared to the previous month. Decline in moong prices was attributed to the sluggish demand



of the commodity from processors end. Additional supporting factor for decline in moong prices is the commencement of new summer moong arrival from Gujarat and Rajasthan, which has added to the supply pipeline to some extent while demand remained stagnant during the month.

Current Scenario:

Domestic moong prices have traded range bound during the month as sluggish demand of the commodity supported bearish sentiments while limited availability of the commodity restricted any major downfall in its prices. However, little demand for bold quality moong was recorded in the domestic markets but availability of inferior quality moong kept weighing on moong prices.

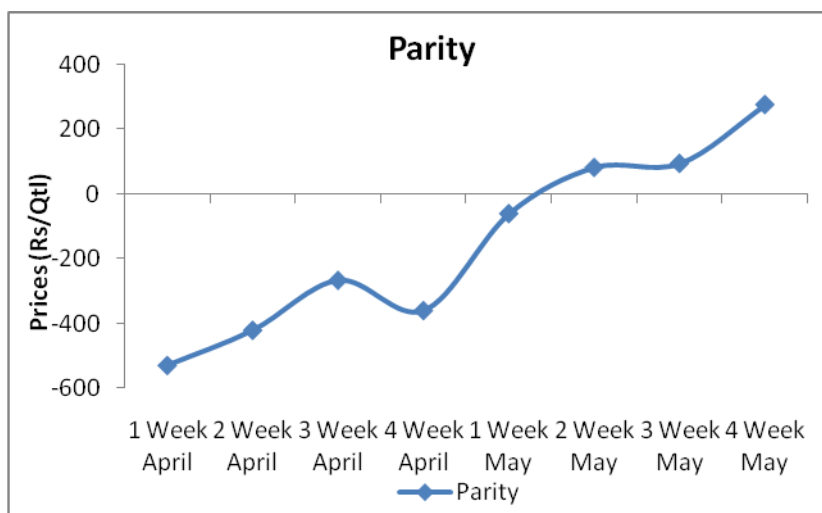
	2009-10	2010-11
Carry in	0.01	0
Production	0.73	1.186
Imports	0.2	0.15
Total Availability	0.94	1.336
Consumption	0.94	1.336
Exports	0	0
Total Uses	0.94	1.336
Carry Out	0	0

All figures in million tonnes

India has witnessed considerable improvement in moong production during current year but despite this stockists did not maintain adequate stock level due to the quality issues and this has resulted in limited availability of the commodity during non-arrival season. Imports during current year are also

reduced compared to the last year due to the high prices of moong in international markets (as China purchased large quantity from Myanmar, which supported international moong prices). While on contrary, consumption of the commodity will increase upto normal consumption level of 1.3-1.4 million tonnes during the year and total availability of the commodity during current year will only fulfill annual requirement and leave negligible ending stocks. Projections of negligible ending stocks have restricted any major downfall in domestic moong prices.

Indian importers were not finding parity in imported moong and this had discouraged Indian importers from importing moong. But international moong prices witnessed sharp decline due to the poor offtake of Moong (Pedishwa) in international markets. At present Indian importers are now finding parity at current levels and it might result in some inflow of Burmese moong in near term.



Although demand of the commodity has increased during current year compared to the last year, the sufficient availability of the commodity to fulfill the annual requirement till the new crop arrival has restricted any major uptrend in moong prices and will keep the prices under control in near term also. Additionally, arrival of summer moong has also started in Gujarat and Rajasthan and this has further added to the supply pipeline to some extent. Local markets of Gujarat and Rajasthan will receive summer moong for another one month and this will also support bearish sentiments in domestic moong prices.

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.

Market Outlook:

Given the above conditions, moong prices are expected to remain range bound in coming days. Sluggish demand of the commodity and arrival of summer moong will restrict any major uptrend in its prices. However, any deviation in monsoon will further provide direction to moong prices.

Spot Technical:



*Prices starts from June 2008

- Candlestick pattern shows buying interest in the spot market.
- Closing of prices above 9 & 18 days moving average suggests for firmness in the market.
- 9 days moving average line cut 18 days moving average line and is moving in northwards direction, hints for further improvement in moong prices.
- RSI is moving up in neutral zone, supporting bullish sentiments.
- Moong prices will remain range bound and marginal improvement might be recorded in its prices.

Moong- Jaipur:

S2	S1	R1	R2
4000	4200	4700	4815
Call	Entry	T1	T2
SELL	< 4700	4320	4200

**Domestic Prices & Arrivals (Dall):**

Centre		Prices (Rs/Qtl)		
		30-05-2011	30-04-2011	30-05-2010
Mumbai	Annaseva	3800-4000	3950	5800
Chennai	Pedishwa	5500	-	-
Delhi	Mertha City	5400	5200	6800
	Rajasthan Line	-	5700	-
Indore	Chamki	4500	4900	6700-6800
Kanpur	Desi	3600-4200	4100	-
Jaipur	Desi	3500-4300	3700-4200	6800

Centre		Arrivals (Bags per Quintal)		
		30-05-2011	30-04-2011	30-05-2010
Mumbai	Annaseva	-	-	-
Chennai	Pedishwa	-	-	-
Delhi	Mertha City	-	-	-
	Rajasthan Line	-	-	-
Indore	Chamki	500-700	700-800	-
Kanpur	Desi	-	-	-
Jaipur	Desi			

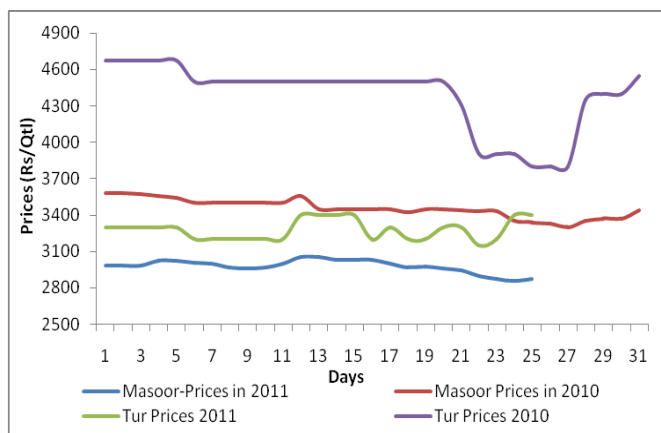
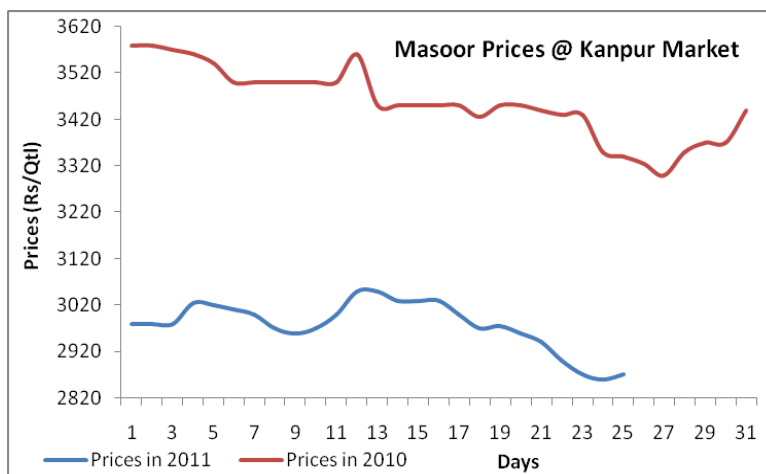
Processed Moong Rates (Dall):

Centre	Prices (Rs/Qtl)		
	30-05-2011	30-04-2011	30-05-2010
Jalgaon	6200-6300	6300-6400	8500-8600
Bikaner (Split)	5500	5700	8300
Indore	6000	-	-

Lentils (Masoor)

Market Recap:

Desi masoor prices witnessed weak trend during the last month. Sluggish demand of the commodity throughout the month resulted in sharp decline in its prices in major markets of UP & MP. Although masoor output during current year remained on the lower side compared to the last year by around 10%, prices could not find support at higher levels. As shown in the graph, there is a huge difference between current year's and last year's masoor prices, due to the lack of fresh buying support from processors.



Another supporting factor for sharp decline in masoor prices during current year is bumper domestic tur production during kharif 2010-11. Poor tur production during last year increased masoor (red lentils) demand in southern parts of country as masoor substitutes tur to some extent and this had supported masoor prices in last year during the same period. But significant improvement in tur output during current reduced masoor demand and this is also currently weighing on desi masoor prices.

Current Scenario:

Regular inflow of desi masoor in domestic markets till date has put cap on masoor prices. Additionally, regular shipments of Canadian lentils have also added to the supply pipeline and this has further supported bearish sentiments in masoor prices in domestic markets. In addition to this, beginning stock of masoor has compensated for the losses in current year's domestic masoor output.

As per trade sources, Kolkata based traders are currently holding stock of around 25000 tonnes of Canadian lentils and this has put immense pressure on desi masoor prices as there were negligible stock of Canadian lentils in domestic markets in past few years during the same period.

	2009-10	2010-11
Carry-in Stock	0.00	0.058
Production	0.100	0.9
Imports	0.258	0.16
Availability	1.258	1.118
Exports	0	0
Consumption	1.2	1.075
Total Requirement	1.2	1.075
Carry-out Stock	0.058	0.043

*All figures in Million tonnes

During 2009-10 total availability of the commodity outpaced annual requirement (due to the normal production and high imports) and left some ending stocks. But frost like conditions during early January 2011, hindered the yield of the commodity and masoor output reduced by around 10% compared to the last year. However, sizeable carry-in stocks compensated for the losses in masoor output and kept masoor prices under control. Demand for the commodity during current year will also reduce and this has also reduced the requirement of imported masoor. Another reason for decline in imports is the huge disparity in imported masoor in domestic markets and this has also forced importers to import less quantity during current year. Total availability of the commodity during current year will easily outpace annual requirement and will leave considerable ending stocks during second consecutive year and this is currently weighing on its prices.

At the global front, acreage under masoor is expected to decline in Canada due to the farmer's interest in other alternative crops such as Canola and wheat as they had received better returns in these crops compared to masoor during last year.

Canada's Field Peas Production Outlook:

	Area (000 ha)	Production (000 MT)	Imports (000 MT)	Domestic Consumption (000 MT)	Exports (000 MT)	Ending Stocks (000 MT)
2009-10	971	1510	10	120	1387	35
2010-11	1408	1947	30	367	1200	455
2011-12	1128	1620	10	260	1300	525

Lentils area is expected to decline by 20% during 2011-12 and consequently output will also fall during the year. But record carry-in stocks will offset the lower production and availability of the commodity for exports will increase modestly and hence supply of lentils will remain comfortable in international markets during coming months. Carry-out stocks are forecast higher due to the higher supplies of the commodity against lower domestic consumption. However, projections of significant increase in ending stocks have reduced global lentils prices and will weigh on its prices in near term.



Market Outlook:

Masoor prices are expected to remain range bound with weak bias in near term. However, prices have already reduced sharply during last couple of weeks and therefore little buying is expected at lower levels. But overall demand is expected to remain dull in near term also and this will further keep masoor prices in control during next month.

Spot Technical:



*Prices starts from April 2006

- Candlestick pattern shows selling interest in the spot market.
- Closing of prices below 9 & 18 days moving average suggests for weakness in the market.
- 9 days moving average line cut 18 days moving average line and is moving in southwards direction, hints for further weakness in masoor prices.
- RSI is moving down in neutral zone, supporting bearish sentiments.
- Masoor prices will remain range bound with weak bias in near term.

Masoor- Kanpur:

S2	S1	R1	R2
2830	2850	3125	3175
Call	Entry	T1	T2
SELL	< 3055	2950	2870



Centre		Prices (Rs/Qtl)		
		30-05-2011	30-04-2011	30-05-2010
Mumbai	Red Lentils	2700-2800	2700-2950	3725
	Chanti Export	4000-4050	4050-4100	4750-4850
Delhi	MP/ Kota Line	2800-2850	2850	3200
	UP/ Sikri Line	3050	3100	3750-3800
Kanpur	Mill Delivery	2840	3010	3370
	Bareilly Delivery	2870	3060	3470
Indore	Masra	2850	3025	3450-3500

Centre		Arrivals (Bags per Quintal)		
		30-05-2011	30-04-2011	30-05-2010
Mumbai	Red Lentils	-	-	-
	Chanti Export	-	-	-
Delhi	MP/ Kota Line	-	-	-
	UP/ Sikri Line	-	-	-
Kanpur	Mill Delivery	1500-1600	1500	-
	Bareilly Delivery	-	-	-
Indore	Masra	-	-	-

Processed Masoor Rates (Dall):

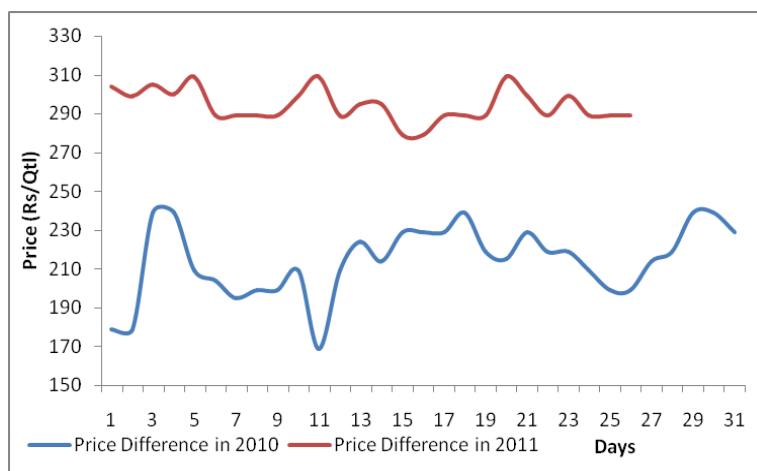
Centre	Prices (Rs/Qtl)		
	30-05-2011	30-04-2011	30-05-2010
Kanpur (Malka)	3325	3470	3925
Indore	3400	-	4200
Delhi (Badi Masoor)	3500-3550	3600	4100
Delhi (Choti Masoor)	3900-4000	4000-4050	4750-4800
Katni	-	-	-

Peas (Matar)

Market Recap:

Desi peas prices witnessed steady to firm sentiments during the month. Supply of the commodity remained more or less same during May 2011 compared to the previous month but prices of desi peas improved marginally by approx. 1% to Rs 2131/qrtl (average prices during May 2011) compared to the previous month. Improvement in chana prices during May 2011 also influenced peas prices during the month. Additionally, supply crunch of the commodity amid strong demand of the commodity also supported bullish sentiments in peas prices.

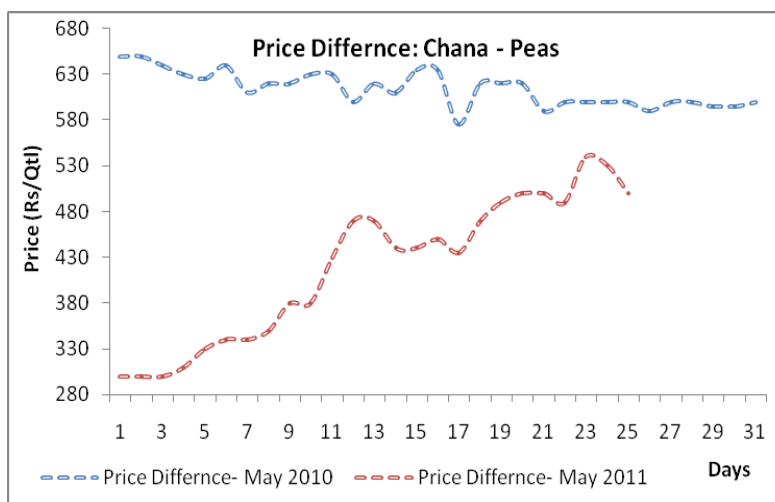
In addition to the improvement in desi peas prices, marginal improvement is also recorded in prices of imported peas in domestic markets. But if we compare the prices of White Canadian peas in Kanpur and Mumbai market, price difference between the two markets has widen during current year (May 2011) compared to the last year during the same time due to the considerable improvement in desi peas prices over the year. Desi peas prices have increased by approx. 36% during current year compared to the last year (from May 2010 to May 2011) and consequently price difference in Kanpur and Mumbai market (White Canadian) has also increased by approx. 37% during the same period.



Current Scenario:

Desi peas output during current year is lower compared to the last year due to the frost like conditions in MP in early January 2011, which has hindered the yield of the commodity has resulted in limited availability of the commodity and this is currently restricting any downfall in peas prices. Arrival of desi peas has declined in domestic markets and will remain stagnant in coming days and this will further keep its prices on higher note in near term. Moreover, consistent improvement in chana prices is also supporting improvement in peas prices.

Chana prices have improved by around 17% during current year compared to the last year (from May 2010 to May 2011) but on contrary, peas prices have improved by around 36% during the same period and this has narrowed





down the price difference between chana and peas prices (from last year to current year). Average difference between the prices of two commodities during last year (May 2010) was Rs 614/qtl but it has reduced to Rs 419/qtl and this has resulted in steady movement in peas prices during last few days. However, any improvement in chana prices in next few days will influence peas prices also and will result in northwards movement in desi peas prices.

Although we have adequate stock of imported peas in domestic markets which will be sufficient to cater to the domestic requirement but importers still import peas from international markets. International peas prices are already hovering at higher levels and projections of 20% decline in acreage in Canada has further raised the concerns of supply shortage during 2011-12 and this will further pressurize global peas prices to move in northwards direction, hence domestic peas prices are also expected to behave accordingly.

Canada's peas exports during 2010-11 are expected to be higher by around 30% compared to the last year and this will sharply reduce ending stocks of the commodity. Projections of significant decline in ending stocks and lower output during 2011-12 have raised the concerns of tight supplies during 2011-12 and due to this international prices are expected to remain on the higher note and hence influence the domestic peas prices in same manner.

Canada's Peas outlook:

	Area (000 ha)	Production (000 MT)	Imports (000 MT)	Domestic Consumption (000 MT)	Exports (000 MT)	Ending Stocks (000 MT)
2009-10	1522	3379	55	907	2178	795
2010-11	1396	2862	35	692	2700	300
2011-12	1111	2400	30	530	2100	100

Market Outlook:

Considering the above factors, peas prices are expected to remain on higher note. Supply crunch of desi peas amid strong demand and improvement in chana prices will restrict any downfall in peas prices and hence support its prices in near term also.

Spot Technical:



*Prices starts from April 2006

- Candlestick pattern shows buying interest in the spot market.
- Closing of prices above 9 & 18 days moving average suggests for firmness in the market.
- 9 days moving average line cut 18 days moving average line and is moving in northwards direction, hints for further firmness in peas prices.
- RSI is moving up in neutral zone, supporting bullish sentiments.
- Peas prices will remain range bound with firm bias in near term.

Peas- Kanpur:

S2	S1	R1	R2
2000	2055	2225	2250
Call	Entry	T1	T2
BUY	>2092	2160	2220

**Domestic Prices & Arrivals:**

Centre		Price (Rs/Qtl)		
		30-05-2011	30-04-2011	30-05-2010
Mumbai	White American	1911	1830-1835	1391
	White Canadian	1831	1761-1771	1361
	Green American	2600-2650	2600	2325
	Green Canadian	2250	2100-2300	2025-2050
Kanpur	Desi	2130	2090	1590

Centre		Arrivals (Bags per Quintal)		
		30-05-2011	30-04-2011	30-05-2010
Mumbai	White American	-	-	-
	White Canadian			
	Green American			
	Green Canadian			
Kanpur	Desi	400-500	400-500	-

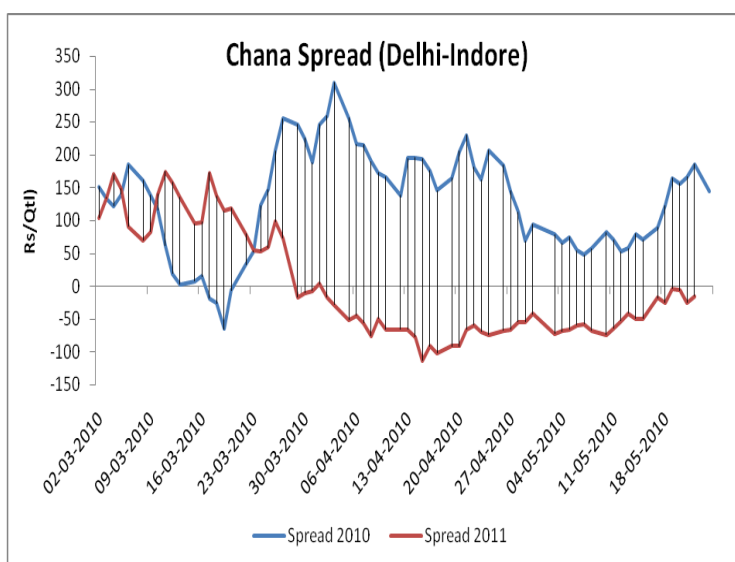
Chickpeas (Chana)

Market Recap:

Chana prices witnessed firm trend during the month. Strong demand of the commodity throughout the month resulted in 3.22% increase in chana prices compared to the previous month. 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. 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 Scenario:

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.



However, despite of the yield loss in MP total chana output during current year remained on the higher side compared to the last year by 3.52%. Consumption of the commodity during current year is also likely to increase to 7 million tonnes during current year due to the lower price and adequate availability of the commodity. But with the help of significant carry-in stocks and higher output, total availability of the commodity will outpace annual requirement and will leave sizeable ending stocks (higher by 15.76% compared to the last year) and this has put buyers in a dominating position. Projections of sufficient availability of the commodity throughout the season (till next crop) and considerable ending stocks during 2010-11 will further put cap on rising chana prices in near term.



	2009-10	2010-11
Carry-in Stock	0.385	0.59
Production	6.9	7.143
Imports	0.3	0.07
Availability	7.585	7.803
Exports	0.095	0.12
Consumption	6.9	7.0
Total Requirement	6.995	7.12
Carry-out Stock	0.59	0.683

*All figures in Million tonnes

On the global front, due to the poor returns in chickpeas during last year Australian farmers are expected to shift the chickpeas area into other alternative crops and hence, significant decline is expected in chickpeas output during 2011-12. According to the New South Wales Agriculture's report (Australia), chickpeas area during current year is likely to reduce by 45% compared to the last year. Below mentioned table represents NSW's prospective chickpeas planting:

Districts	Prospective Area (ha)
North West	149,250
Central West	28,900
South West	5,820
Tablelands	0
Coastal Regional	0
New South Wales (Total)	183,970

However, a lower Australian chickpeas output will not have a major impact on domestic chana prices for the reason that total availability of the commodity is sufficient to fulfill the domestic requirement and this will reduce India's dependence on import. Hence any deviation in international market is not expected to influence the domestic market in near term.

Market Outlook:

Chana prices are expected to trade range bound with weak bias in near term due to the adequate availability of the commodity which will put cap on rising chana prices in near term.

Spot Technical:



*Prices starts from Nov 2006

- Chana prices have improved during last three weeks.
- 9 days moving average line cut 18 days moving average line and is moving in northwards direction, hints for further firmness in peas prices.
- RSI is moving up in neutral zone, supporting bullish sentiments.
- Chana prices might improve during first week of June 2011 but are expected to fall after that. Hence selling from higher level is advisable.

Chana- Delhi:

S2	S1	R1	R2
2300	2350	2525	2550
Call	Entry	T1	T2
SELL	>2490	2400	2350

Futures Technical (NCDEX):



Domestic Prices & Arrivals:

Centre		Prices (Rs/Qtl)		
		30-05-2011	30-04-2011	30-05-2010
Mumbai	Australian	2300	2250	2071
Delhi	Rajasthan	2420-2425	2225-2230	2125-2130
	Madhya Pradesh	2475	2300	2125-2130
Bikaner	Desi	2350	2180-2200	2150
Indore	Kantewala	2420	2320-2325	2060-2070
Kanpur	Desi	2620	2390	2180
Latur	Gauran	2300-2600	2275-2500	1900-1950
	Annagiri	2600	2500	2050-2100
	G-12	2400	2375	-



Centre		Arivals (Bags per Quintal))		
		30-05-2011	30-04-2011	30-05-2010
Mumbai	Australian	-	-	-
Delhi*	Rajasthan	100	60	50
	Madhya Pradesh	100	60	50
Bikaner	Desi	1000	4000	-
Indore	Kantewala	7000	2000	4000
Kanpur	Desi	1200-1300	1200	-
Latur	Gauran	700	2000	
	Annagiri	-	300	
	G-12	-	700	

*Arrivals in Delhi market in Motors, 1 Motor = 16 Tonnes

Processed Chana Rates (Dall):

Centre	Prices (Rs/Qtl)		
	30-05-2011	30-04-2011	30-05-2010
Jalgaon	3000	2600	2500
Latur	2900	2800	2400-2600
Akola	2875-2900	-	2400-2600
Kanpur	3000	2725	2530
Bikaner	2800	2600	2500
Indore	3300	2850	2850
Delhi	2825-2950	2700	2525-2525
Gulbarga	3000-3100	2900-3000	-

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