

Chickpeas (Chana)

Market Recap:

Mostly steady trend witnessed in chana prices during the week ending June 08, 2011. Normal demand of the commodity amid sufficient availability in the country resulted in range bound movement in chana prices. Also stockists who are having most of the chana stocks, are gradually releasing their stocks at higher prices which further keeping chana prices in check. Moreover, range bound/sideways movement of chana at NCDEX amid increasing chana stocks in NCDEX accredited warehouse further influenced spot market prices during the period.

Current Market Dynamics & Outlook:

As new crop arrival particularly from Rajasthan comes to an end, supply in the domestic markets is declining and this has supported chana prices to some extent. On the contrary, sufficient availability of the commodity in the country on last 3 year's bumper production, keeping chana prices in check. Given the situation, millers/processors are not in a hurry to buy the commodity which is further restricting any uptrend in prices. No major deviation is expected in chana fundamentals in the coming week. However, peas (used widely as a substitute for chana) prices will remain the key factor for deciding chana prices moving forward.

Below mentioned table reflects the arrival scenario in benchmark markets:

	Current Week	Previous Week	Month Ago	Year Ago
Delhi (Motors)	290	355	280	210
Bikaner (Quintals)	6400	7200	25000	-

Note: 1 Motor = 16 Tonnes

On the global front, area under chickpeas in New South Wales (Australia) during 2011-12 is forecasted at 1.67 lakh hectares, down by 9% from April 2011 forecast and down by 18% from last year's area of 2.05 lakh hectares. Fears of disease in the commodity discouraged farmers for sowing of the commodity. Moreover, acreage in the US is also expected to fall by 9% during 2011-12 to 14.54 lakh acres compared to last year's area of 15.91 lakh acres as growers are shifting towards more lucrative crops like Canola etc.

Market Outlook:

Chana prices are expected to remain range bound with weak bias as comfortable supplies will keep its prices under control despite forecasts of lower area coverage in Australia and US.

Price Outlook:

- Chana prices remained range bound during last weeks.
- Closing of prices above 9 & 18 days moving average hints for firmness in prices.
- RSI is flat in neutral zone, supporting bullish sentiments.
- Prices are finding immediate support at 2550 level and are expected to come down from resistance level.


Chana- Delhi:

S2	S1	R1	R2
2477	2500	2550	2575
Call	Entry	T1	T2
SELL	<2525	2500	2480

Domestic Prices & Arrivals:

Centre		Prices (Rs/Qt)			
		08-06-2011	01-06-2011	09-05-2011	08-06-2010
Mumbai	Australian	2250	2350	-	1990-2000
Delhi	Rajasthan	2470-2475	2480-2485	2240-2250	2080-2085
	Madhya Pradesh	2525	2540	2310-2315	2080-2085
Bikaner	Desi	2400	2375	2170	2100-2150
Indore	Kantewala	2425	Closed	2300	2025
Kanpur	Desi	2640	2650	2440	2150
Latur	Gauran	2350-2550	Closed	-	-
	Annagiri	2550-2600	Closed	-	-
	G-12	2400	Closed	-	-

Centre		Arivals (Bags per Quintal))			
		08-06-2011	01-06-2011	09-05-2011	08-06-2010
Mumbai	Australian	-	-	-	-
Delhi	Rajasthan	25-30	40	70	45
	Madhya Pradesh	25-30	40	70	45
Bikaner	Desi	1000	1000	5000	-
Indore	Kantewala	5000	Closed	8000	4000

Kanpur	Desi	1500	1100-1200	800	1000
Latur	Gauran	600	Closed	Closed	Closed
	Annagiri	100	Closed	Closed	Closed
	G-12	200	Closed	Closed	Closed

Processed Chana Rates:

Centre	Prices (Rs/Qtl)			
	08-06-2011	01-06-2011	09-05-2011	08-06-2010
Jalgaon	3000	Closed	2900	2500
Latur	2900	Closed	-	-
Akola	2900-3025	2950-3000	2750	2400-2600
Kanpur	3000	3025	2750	2500
Bikaner	2850	2800	2600	2475
Indore	3400	Closed	3200	3200
Delhi	2850-2900	2900-3000	2600-2725	2500
Gulbarga	3050-3100	-	2900-3000	-

Peas (Matar)

Market Recap:

Peas prices were mostly flat during the week ending June 08, 2011 due to unavailability of desi peas and reportedly normal demand in the markets. Similar trend was also featured for imported peas during the period.

Current Market Dynamics & Outlook:

Desi peas (new crop) have mostly been consumed and now the millers and processors are dependent on imported peas. As per the trade sources, currently the imported peas stocks are on a comfortable position to meet the demand for next 1-2 months which is keeping prices in check. Meanwhile, there were no fresh import contracts in the markets due to disparity (more than Rs 150/qtl) in prices.

On the global front, New South Wales (Australia) peas area is forecast to increase to 0.49 lakh hectares as compared to last year's 0.47 lakh hectares. Forecasts of sharp decline in peas area in major exporting countries of Canada (23%) and the US are currently supporting international peas prices. In Saskatchewan (the major peas producing area in Canada), prices increased to \$7.37/bushels from \$7.33/bushels during week ended June 1, 2011.

So far around 70% of the sowing had been completed in Saskatchewan till May 30, 2011 out of which 84% crop in Southeastern Saskatchewan are below normal development followed by 77% in Southwestern Saskatchewan, 55% in East-Central Saskatchewan, 56% in West-Central Saskatchewan, 70% in Northeastern and 72% in Northwestern Saskatchewan.

Moreover, dry peas growers in the US intend to plant less area for third consecutive year due to better returns in alternate crops like Canola and Wheat and due to this, availability of yellow peas will decline in coming season in international markets, which will remain supportive for peas prices.

Dry Peas	2010-11 (000 acres)	2011-12 (000 acres)	% Change
North Dakota	430	275	-36
Montana	220	215	-2
Washington	68	65	-4
Others	38	31	-18
Total	756	586	-22

Market Outlook:

Peas prices are expected to trade range bound in near term. Limited availability of desi peas will try to push up its prices but on contrary, comfortable supplies of imported peas in domestic markets will restrict any major improvement in peas prices.

Price Outlook:

- Candlestick pattern shows selling interest in the spot market.
- Closing of prices below 9 days moving average suggests for weakness in the market.
- RSI is moving down in neutral zone, supporting bearish sentiments.
- Peas prices will remain range bound with weak bias in near term.



Peas- Kanpur:

S2	S1	R1	R2
2000	2055	2175	2200
Call	Entry	T1	T2
SELL	<2130	2100	2080

Domestic Prices & Arrivals:

Centre		Price (Rs/Qtl)			
		08-06-2011	01-06-2011	09-05-2011	08-06-2010
Mumbai	White American	1880	-	1840-1850	1375
	White Canadian	1851	1831-1835	1801	1345
	Green American	2325-2400	-	2600	2350-2400
	Green Canadian	2225-2275	2250	2100-2300	1975-2100
Kanpur	Desi	2130	2120	2100	1580

Centre		Arrivals (Bags per Quintal)			
		08-06-2011	01-06-2011	09-05-2011	08-06-2010
Mumbai	White American				
	White Canadian				
	Green American				
	Green Canadian				
Kanpur	Desi	800-900	500	500	-

Pigeon pea (Tur)
Market Recap:

Mixed sentiments witnessed in domestic tur prices during first week of June 2011. Dwindling supplies of the commodity and lackluster demand mostly keeping tur prices range bound during the period. Steep fall (more than 4%) in Burmese Tur prices during the last week, also keeping domestic tur prices on softer note. Reportedly, millers/processors are buying just enough quantities in anticipation of lower tur prices in coming days amid sufficient availability in both domestic and in international markets.

Current Market Dynamics & Outlook:

As southwest monsoon has hit Kerala coast on time and is progressing well over the other southern states, this has raised the prospects of timely sowing of the commodity during kharif 2011. Sowing has started in some parts of Andhra Pradesh and so far around 218 ha have been covered under tur. In other states sowing activity will increase with the progress of monsoon over the states. Moreover, CACP's recommendations to increase the MSP of the commodity for kharif 2011 will further motivate farmers to increase tur acreage this season. Below mentioned table reflects correlation between price and MSP.

As there is a strong correlation exists between MSP & acreage, MSP & prices and price & area, therefore hike in MSP may influence both the area and prices in coming days.

If we look at the past trend, MSP of tur during 2010-11 (Rs 3000/qrtl) increased by 30% compared to the previous year's MSP (Rs 2300/qrtl) while average yearly prices during 2009-10 were higher by around 62% compared to the average yearly prices during 2008-09 and subsequently acreage during 2010-11 increased by 16% to 4.09 million hectares compared to the 2009-10's acreage of 3.53 million hectares.

	Price	Area
MSP	0.8	0.6
Price		0.7

For Kharif 2011, CACP has recommended a hike of 3% for Tur MSP to Rs 3100/qrtl but on contrary average yearly prices during 2010-11 were lower by around 16% compared to the previous year's average prices. Considering the factors like timely onset of monsoon, 3% hike in MSP and 16% fall in average yearly prices during 2010-11, acreage of tur during 2011-12 is likely to remain more or less same as it was in the previous year (4.09 million hectares). Moreover, trade participants also not expecting any major improvement in tur acreage due to the fall in prices and forecasts of higher ending stocks of around 0.293 million tonnes compared to the previous year's ending stock of 0.2 million tonnes which will keep tur prices under pressure in near term also.

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:

- Candlestick pattern shows selling interest in the market.
- Prices are moving below trend line, which suggests for weakness in its prices.
- Closing of prices below 9 & 18 days moving average hints for weakness in the market.
- RSI is moving down in neutral zone, supporting bearish sentiments.
- Overall trend will remain bearish and selling from higher levels is advisable.



Tur- Gulbarga:

S2	S1	R1	R2
3280	3300	3450	3500
Call	Entry	T1	T2
SELL	< 3390	3340	3310

Domestic Prices & Arrivals:

Centre		Prices (Rs/Qtl)			
		08-06-2011	01-06-2011	09-05-2011	08-06-2010
Mumbai	Burmese Lemon	3025	3050	3125-3225	4650
Delhi	Burmese Lemon	3200	3100	3325	4451
Chennai	Burmese Lemon	2900-2950	2900-2950	3000	4450
Gulbarga	Red	2300-3375	-	3630	Closed
Latur	Red	3000-3500	Closed	-	-
Jalna	Red		Closed	2500-3000	-
Jalgaon	Red	3000	-	3000-3500	4400-4500

Centre		Arrivals (Bags per Quintal)			
		08-06-2011	01-06-2011	09-05-2011	08-06-2010
Mumbai	Burmese Lemon	-	-	-	-
Delhi	Burmese Lemon		-	-	-
Chennai	Burmese Lemon	-	3600	5000	4000
Gulbarga	Red	5500	-	5600	-
Latur	Red	2000	-	-	-
Jalna	Red		-	300	-
Jalgaon	Red	700-800	-	700-800	-

Processed Tur Rates:

Centre	Prices (Rs/Qtl)			
	08-06-2011	01-06-2011	09-05-2011	08-06-2010
Jalgaon	5500-5600	-	5600-5700	6400-6500
Latur	5500-5600	-	Closed	Closed
Indore	5300	Closed	5400	6300
Gulbarga	5100-5200	Closed	5300-5400	Closed
Katni		Closed	5600-5700	-
Katni (Sava)		Closed	4500-4600	-

Black Matpe (Urad)

Market Recap:

Desi urad witnessed mixed sentiments in most of the markets during the week ending June 8, 2011. Currently the domestic urad prices are moving in tandem with the Burmese urad. During the period Burmese urad prices (C&F Mumbai) increased by \$ 5/Mt and consequently Urad prices in Mumbai increased by Rs 20-25/Qtl However, sluggish demand in the markets limited the increase in urad prices.

Current Market Dynamics & Outlook:

Timely onset of southwest monsoon during current year has raised the prospects of timely sowing of the commodity as sowing has already started in some parts of Andhra Pradesh and so far around 332 ha have been covered under urad. Sowing activity is likely to start in other key producing regions with the progress of monsoon. Below mentioned table reflects correlation between price and MSP.

Since there is a strong correlation between Urad price and area, therefore recent price movement will further decide farmer's intention regarding Urad acreage this Kharif as 46% improvement in yearly average prices of urad during 2009-10 compared to 2008-09 resulted in 13% increase in acreage of the commodity during 2010-11.

	Price	Area
MSP	0.5	0.4
Price		1

However, yearly average prices also remained on the higher side during 2010-11 by around 6% but fell down by close to 20% during 2011-12 (till May 31, 2011) due to dull demand at higher levels and this might discourage farmers for sowing of urad during current year. But on the contrary, CACP has recommended 13.8% hike in MSP of Urad for kharif 2011 to Rs 3300/qtl compared to the previous year's MSP of Rs 2900/qtl to motivate farmers to increase the acreage under the commodity.

If proposed MSP is implemented then it will encourage farmers to expand the area under urad. Moreover another supporting factor for area expansion is that average prices during 2011-12 are Rs 3385/qtl and if proposed MSP of Rs 3300/qtl is implemented then there are fair chances that Urad area this Kharif 2011 may go up. Besides, timely onset of monsoon will further help in increasing acreage under the commodity.

Market Outlook:

Urad prices are expected to trade range bound with weak bias in near term due to the dull demand and regular inflow of Burmese urad in domestic markets.

Price Outlook:

- Urad prices traded range bound between 3100-3200.
- Prices are moving below trend line, which suggests for weakness in its prices.
- Closing of prices below 9 & 18 days moving average hints for improvement in 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	3100	3080

Domestic Prices & Arrivals:

Centre		Prices (Rs/Qtl)			
		08-06-2011	01-06-2011	09-05-2011	08-06-2010
Mumbai	Burmese FAQ	3975	4000	4100	5350
Delhi	Burmese FAQ	4200	4150-4250	4150	5375
Chennai	Burmese FAQ		4000-4050	4150	5550
	Burmese SQ		4600-4650	4800	5900
Indore	Desi	3800	3700	3500	4900
Vijayawada	Polished	4700-4750	4700-4750	4900	6200
Jalgaon	Desi	4000-4200	4000-4200	4000-4200	5000-5500

Centre		Arrivals (Bags per Quintal)			
		08-06-2011	01-06-2011	09-05-2011	08-06-2010
Mumbai	Burmese FAQ	-	-	-	-
Delhi	Burmese FAQ	-	-	-	-
Chennai	Burmese FAQ	-	-	-	-
	Burmese SQ		-	-	-
Indore	Desi	1000	-	-	-
Vijayawada	Polished	800	-	-	5000
Jalgaon	Desi	50-100	-	50-100	

Processed Urad Rates:

Centre	Prices (Rs/Qtl)			
	08-06-2011	01-06-2011	09-05-2011	08-06-2010
Jalgaon	5600-5700	-	5500-5600	-
Bikaner (Split)	5300	5300	5500	6700
Indore	6500	Closed	6700	8100

Lentils (Masoor)

Market Recap:

Mostly steady sentiments recorded in most of the spot markets during the week. Dwindling supplies of the commodity resulted in range bound movement in masoor prices in Kanpur market. However, some demand at lower prices restricted the fall in prices to some extent. Masoor prices also declined sharply in last couple of weeks ending June 08, 2011 in the markets on reportedly higher inventories in the markets.

Current Market Dynamics & Outlook:

Demand of the commodity is not responsive for desi masoor and this is restricting upward movement in masoor prices. Total availability of the commodity is sufficient to outpace the annual requirement throughout the year and this will further weigh on masoor prices during coming days. Additionally, inflow of Canadian lentils has further added to the supply pipeline aiding weakness. as According to the sources around 14 containers have arrived at Mumbai port during the week.

At the global front, prospective planting in US during 2011-12 is expected to rise by around 8% due to the strong revenue incentives in the commodity. But on contrary, sharp decline in acreage in Canada will overshadow the marginal

Dry Peas	2010-11 (000 acres)	2011-12 (000 acres)	% Change
North Dakota	265	275	+23
Montana	260	320	+4
Washington	78	70	-10
Idaho	55	45	-18
Total	658	710	+8

rise in area in the US but bumper ending stocks of the commodity in Canada will result in comfortable supplies in international markets which may keep prices on softer note.

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:

- Candlestick pattern shows selling interest in the spot market.
- Closing of prices below 9 & 18 days moving average suggests for weakness in the market.
- 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
2730	2775	3125	3175
Call	Entry	T1	T2
SELL	<2825	2790	2760

Domestic Prices & Arrivals:

Centre		Prices (Rs/Qtl)			
		08-06-2011	01-06-2011	09-05-2011	08-06-2010
Mumbai	Red Lentils	2450-2650	2700-2800	2850	3550
	Chanti Export	3950-4100	3950-4000	4000-4100	4700
Delhi	MP/ Kota Line	2800	2750	2850	3150
	UP/ Sikri Line	3000-3050	3000	3050-3100	3600
Kanpur	Mill Delivery	2825	2800	3000	3350
	Bareilly Delivery	2860	2850	3070	3400
Indore	Masra	2750	-	3025	3425

Centre		Arrivals (Bags per Quintal)			
		08-06-2011	01-06-2011	09-05-2011	08-06-2010
Mumbai	Red Lentils				

	Chanti Export				
Delhi	MP/ Kota Line				
	UP/ Sikri Line				
Kanpur	Mill Delivery	1300	1800	1500	-
	Bareilly Delivery				
Indore	Masra				

Processed Masoor Rates:

Centre	Prices (Rs/Qtl)			
	08-06-2011	01-06-2011	09-05-2011	08-06-2010
Kanpur (Malka)	3300	3325	3450	3800-3870
Indore	3400	Closed	3550	4200
Delhi (Badi Masoor)	3500	3550	3550	4000
Delhi (Choti Masoor)	3900-4000	3900-3950	4000-4050	4650
Katni		3325-3500	3425-3600	-

Green Gram (Moong)

Market Recap:

Moong prices witnessed mostly steady tone in Jaipur market throughout the week while new crop arrival (summer moong) in Indore market forced moong prices to move in southwards direction. Regular inflow of the commodity in most of the markets amid sluggish demand pressured prices. Moreover, arrival of imported moong in domestic markets has added to the supply pipeline aiding weakness.

Current Market Dynamics & Outlook:

Dull demand of the commodity amid regular inflow of summer moong is currently weighing on domestic prices. Summer moong arrivals are expected to continue till June end which may keep prices in check in near term. Announcement of MSP for kharif 2011 will further decide its price movement in days to come.

Timely onset of southwest monsoon over Kerala coast has raised prospects of timely sowing of the commodity and it will further decide its price movement. Current price movement will further decide farmer's sowing intention due to the strong correlation between market prices and area of the commodity as 55%

increase in yearly average prices during 2009-10 compared to yearly average prices of 2008-09 resulted in 20% increase in acreage during 2010-11 compared to the area of 2009-10. While yearly average prices

	Price	Area
MSP	0.8	
Price		0.7

during 2010-11 also remained on the higher side by around 23% compared to the previous year but yearly average prices during 2011-12 (till May 31, 2011) have declined by nearly 8% compared to the average prices of 2010-11 and this might have a negative impact on acreage of the commodity during 2011-12. But on contrary, CACP has recommended 7.26% hike in MSP for kharif 2011 than 2010-11 to Rs 3400/qtl and if it is implemented then it might offset decline in yearly average price factor to some extent.

Additionally, strong correlation between MSP and market prices also raised the prospects of improvement in spot prices in near term (if proposed MSP is implemented by the govt.) and this might act as another supporting factor for increase in acreage as farmers will receive better returns for their produce in new kharif season. Moreover, ending stocks during 2010-11 will remain negligible and this will restrict downfall in moong prices in coming days and hence prospects of price realization during coming days are bright and due to this, trade participants also believe that area under moong will remain more or less same during 2011-12 as it was in last year.

Market Outlook:

Moong prices are expected to remain range bound with weak bias in near term on the back of improved supplies and timely onset of monsoon.

Price Outlook:

- Candlestick pattern shows selling interest in the spot market.
- Closing of prices below 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 southwards direction, hints for weakness in moong prices.
- RSI is moving down in neutral zone, supporting bearish sentiments.
- Moong prices will remain range bound with weak bias.



Moong- Jaipur:

S2	S1	R1	R2
4000	4100	4700	4815
Call	Entry	T1	T2
SELL	< 4300	4190	4150

Domestic Prices & Arrivals:

Centre		Prices (Rs/Qtl)			
		08-06-2011	01-06-2011	09-05-2011	08-06-2010
Mumbai	Annaseva	-	-	3900	5500-5650
Chennai	Pedishwa	5500	5500	5800	7050
Delhi	Mertha City	-	-	-	-
	Rajasthan Line	-	-	-	-
Indore	Chamki	4200	-	5000	6700
Kanpur	Desi	-	3700-4350	4050	-
Jaipur	Desi	3600-4400	4000-4300	3800-4200	6300

Centre		Arrivals (Bags per Quintal)			
		08-06-2011	01-06-2011	09-05-2011	08-06-2010
Mumbai	Annaseva	-	-	-	-
Chennai	Pedishwa	-	-	-	-
Delhi	Mertha City	-	-	-	-
	Rajasthan Line	-	-	-	-
Indore	Chamki	1500	700	1000	-
Kanpur	Desi	-	-	-	-
Jaipur	Desi	4000	22000	10000	-

Processed Moong Rates:

Centre	Prices (Rs/Qtl)			
	08-06-2011	01-06-2011	09-05-2011	08-06-2010
Jalgaon	6200-6300	6300-6400	6400	-
Bikaner (Split)	5700	5900	5400	8300
Indore	5800	-	6200	7700

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