

Pigeon Peas (Tur)

Market Recap:

Desi tur prices witnessed mostly weak tone in all the key markets during the month. Sluggish demand of the commodity throughout the month weighed on prices besides comfortable stocks in the markets. However, reportedly some demand at lower price level and worries of delayed plantings in Karnataka and Maharashtra due to lack of rains restricted the fall in prices to some extent during third week of June 2011 provided little support to the prices but ample supply/availability of the commodity restricted major uptrend in tur prices. Farmers in Maharashtra and Karnataka are still holding stock of tur (previous year's crop) and farmers in Karnataka they gradually liquidate the stocks at marginal improvement in tur prices which increases the supplies in turn aiding weakness.

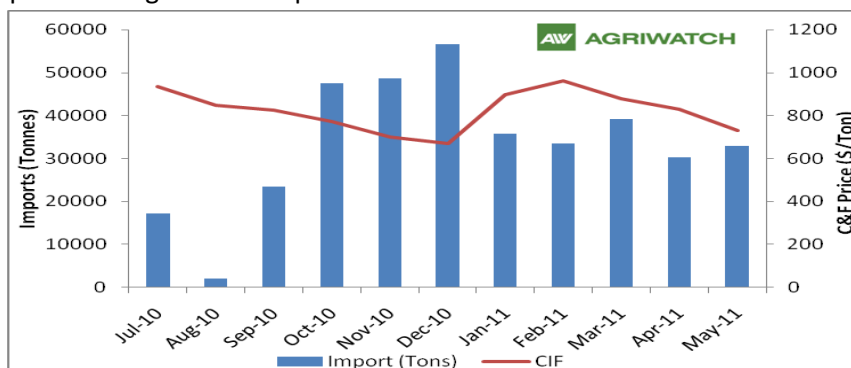
Current Scenario:

Since southwest monsoon has further advanced into some more parts of southern states of the country and due to this sowing of the commodity has started in Maharashtra, AP and Karnataka but some of the key growing regions of tur in Maharashtra and Karnataka have not received adequate rainfall for commencement of sowing which is supporting prices.

In AP, around 59,715 hectares have been covered under tur while in Maharashtra around 62,715 hectares have been covered till June 22, 2011 respectively. Despite increase in MSP (Rs 3200 up Rs200 from last year), so, far sowing of the commodity not picked up pace due to deficit rains over the key southern states of the country as well as uneven distribution of rains. Sowing of the commodity normally extends upto mid July in country so, July rains will be crucial for tur crop sowing. Any deviation of the same may lead to significant jump in tur prices amid anticipation of lower output.

Meanwhile, trade participants of Maharashtra believe that if rains in July remain good or normal then area under tur will remain more or less same in 2011-12 as compared to the last year and state may harvest a good crop this Kharif 2011. Also the government's steps "increase in MSP to Rs3200/Qtl and additional incentive of Rs500/Qtl on procurement by govt. agencies during first two months of harvest/arrivals" may also encourage farmers to bring more acres in the commodity.

International tur prices fell sharply during July 2010 to December 2010 and due to this, significant increase was recorded in tur imports during the same period. Due to the consistent demand for the commodity from India, tur prices started to improve from January 2011 onwards leading to disparity in tur prices due to which both demand and imports declined. Thereafter, mostly a roller-coaster movement is featured in C&F



prices and imports. Also availability of new crop domestically also led to lower imports and decline in tur prices.

No major improvement is expected in tur prices in domestic and international markets due to the ample stocks and disparity in imports is likely to continue in near term also due to which imports are expected to remain on lower side. However, progress of monsoon and distribution of rainfall in key producing states Maharashtra and Karnataka will give prices direction in coming month for both domestic and international prices.

Market Outlook:

Considering the factors like dull demand, ample stocks and dull sowing activity so far, domestic tur prices are expected to remain range bound with slight firmness in coming month. However, the price direction will mostly depend on the progress and distribution of monsoon over the key growing states in coming month.

Price Outlook for Tur at Gulbarga Market:



- Candlestick pattern shows buying interest in the market.
- Closing of prices above 9 days EMA suggests for firmness in the market.
- RSI is moving up in neutral zone, supporting bullish sentiments.
- MACD is moving up in negative zone which supports bullish sentiments.
- Prices have got trend line break up, which is hinting for further improvement in prices.

| S2 | S1 | PCP | R1 | R2 |
|------|-------|------|------|------|
| 3315 | 3400 | 3525 | 3645 | 3670 |
| Call | Entry | T1 | T2 | SL |
| BUY | >3500 | 3600 | 3685 | 3425 |

Domestic Prices & Arrivals:

| Centre | | Prices (Rs/Qtl) | | |
|----------|---------------|-----------------|------------|------------|
| | | 30-06-2011 | 30-05-2011 | 30-06-2010 |
| Mumbai | Burmese Lemon | 2925 | 3125 | 4225 |
| Delhi | Burmese Lemon | - | 3200 | 4215 |
| Chennai | Burmese Lemon | 2950 | 3100 | 4200 |
| Gulbarga | Red | 3500-3525 | 3500 | 4200 |
| Latur | Red | 2900-3400 | 3000-3600 | 4475 |
| Jalna | Red | 2200-2700 | 2500-2800 | 3500-3900 |
| Jalgaon | Red | 3000-3300 | 3000-3200 | 4300-4400 |

| Centre | | Arrivals (Bags per Quintal) | | |
|----------|-----|-----------------------------|------------|------------|
| | | 30-06-2011 | 30-05-2011 | 30-06-2010 |
| Gulbarga | Red | 5000 | 6500 | 5000 |
| Latur | Red | 400-500 | 2000 | 1000 |
| Jalna | Red | 50-100 | 200 | 125 |
| Jalgaon | Red | 200-300 | 200-300 | - |

Processed Tur Rates (Dall):

| Centre | Prices (Rs/Qtl) | | |
|--------------|-----------------|------------|------------|
| | 30-06-2011 | 30-05-2011 | 30-06-2010 |
| Jalgaon | 5700-5800 | 3000-3200 | 6300-6400 |
| Latur | 5500-5600 | 3000-3600 | 6500 |
| Indore | 5400 | 3050 | 6200 |
| Gulbarga | 5300-5400 | 3500 | 6200 |
| Katni | 5300-5350 | 5400-5500 | - |
| Katni (Sava) | 4200-4250 | 4300-4400 | - |

Black Matpe (Urad)

Market Recap:

Urad prices mostly featured a steady to firm tone in most of the markets during June 2011. Reportedly, lackluster demand and regular inflow of imported urad in the markets kept prices on softer side. However, dull sowing activity due to lack of proper rains over the key urad growing regions, supported the prices.

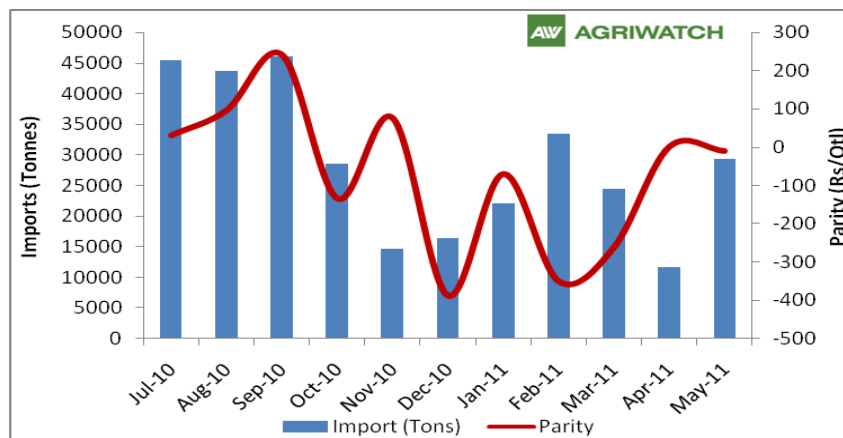
Meanwhile, Governments of Tamil Nadu, Karnataka and Andhra Pradesh had issued some purchase tenders of around 10,000 tonnes to provide support to urad prices domestically.

Current Scenario:

Demand of the commodity is not so much responsive but progress of monsoon is fluctuating urad prices from last couple of weeks. Although, southwest monsoon covered almost entire country but key producing regions of Maharashtra, Karnataka still have not received adequate rainfall which affected the sowing activity which supported urad prices. Area under urad in Maharashtra till June 28, 2011 was reported 14,534 hectares as compared to previous year's area of 80,906 hectares during the same period.

However, IMD has forecasted that rainfall will gain momentum from mid July 2011 onwards and this will aid in sowing of the commodity. But right time of urad sowing in southern states is almost over and even if rainfall in July 2011 remain good, targeted area might not be covered as farmers may shift urad area into Tur as tur sowing extends upto July end. Therefore, despite of better returns during last year will and government's move to hike MSP of urad by Rs 400/qtl to Rs 3300/qtl for Kharif 2011-12 might not further motivate farmers for urad cultivation.

Supply shortage of desi urad had increased demand for Burmese urad in the domestic markets and due to this, considerable amount of import was recorded during July, August and September 2010. But since with the commencement of domestic crop's arrival from October 2010 onwards, urad prices fell



sharply and this had increased the disparity in imported urad which had resulted in decline in imports till December 2010. But due to the quality issues in domestic crop (2010-11) stockists did not maintained adequate stocks of desi urad and supply shortage in domestic markets once again increased the demand of Burmese urad and hence imports increased during January and February 2011. Moreover, international prices of urad decreased during first four months of 2011 due to the dull demand from India and good harvest in Myanmar while on contrary, domestic prices remained steady to firm during the same period and this had reduced disparity over the time and converted into parity in April 2011. Parity in imported urad motivated importers to import more quantity and imports during May 2011 witnessed sharp increase. Improved demand from India increased prices of urad in international market but on contrary, domestic prices remained stable and this had once again increased disparity into imported urad.

Importers are still finding disparity of around Rs 100/qtl in imported urad at Chennai market and demand for the commodity is expected to remain subdued in coming days, therefore domestic prices are expected to remain range bound with slight weakness. Meanwhile, due to comfortable availability of the commodity in international market (good stock in Myanmar) and expected subdued demand may weigh on international prices which in turn may result in some parity and consequently improve the import activity..

However, progress of monsoon is the crucial factor for urad as any deviation in monsoon will spark domestic and international prices. If monsoon remain normal then major increase in demand for Burmese urad is not expected in anticipation of good domestic crop.

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. However, progress Kharif 2011 sowing and monsoon rains may decide the price movement in days to come

Price Outlook for Burmese Urad at Mumbai Market:


- Urad prices have closed above previous week's closing level.
- Closing of prices below 9 and 18 days moving average suggests for weakness in the market.
- RSI is moving up in neutral zone, supporting bullish sentiments.
- MACD is moving down in negative zone which hints for weakness in prices.

| S2 | S1 | PCP | R1 | R2 |
|-------------|-------|------|------|------|
| 3620 | 3663 | 3775 | 3950 | 4000 |
| Call | Entry | T1 | T2 | SL |
| SELL | <3830 | 3725 | 3680 | 3900 |

Domestic Prices & Arrivals:

| Centre | | Prices (Rs/Qtl) | | |
|------------|-------------|-----------------|------------|------------|
| | | 30-06-2011 | 30-05-2011 | 30-06-2010 |
| Mumbai | Burmese FAQ | 3750-3775 | 3900 | 5211-5221 |
| Delhi | Burmese FAQ | - | 4200 | 5250 |
| Chennai | Burmese FAQ | 3600-3625 | 4000 | 5175-5200 |
| | Burmese SQ | 4100 | 4600 | 5725-5750 |
| Indore | Desi | 3800 | 3450 | 4900 |
| Vijayawada | Polished | 4600-4700 | 4750 | 5800 |
| Jalgaon | Desi | 4000-4200 | 4000-4200 | 5000-5500 |



| Centre | | Arrivals (Bags per Quintal) | | |
|------------|----------|-----------------------------|------------|------------|
| | | 30-06-2011 | 30-05-2011 | 30-06-2010 |
| Vijayawada | Polished | 200 | - | 400 |
| Jalgaon | Desi | 50-100 | 50-100 | - |

Processed Urad Rates (Dall):

| Centre | Prices (Rs/Qtl) | | |
|-----------------|-----------------|------------|------------|
| | 30-06-2011 | 30-05-2011 | 30-06-2010 |
| Jalgaon | 5700 | 5500-5600 | 7000 |
| Bikaner (Split) | 5250 | 5300 | 6800 |
| Indore | 6300 | 6400 | 8000 |

Green Gram (Moong)

Market Recap:

Moong prices witnessed weak sentiments in most of the markets during the month. Consistency in new crop arrival (summer moong) in domestic markets forced moong prices to move southwards. Regular inflow of the commodity amid sluggish demand pressured moong prices. Arrivals in Jaipur market have reduced during June 2011 compared to the previous month but despite of this, prices declined by 1.04% during the same period due to the sluggish demand.

| Arrivals in Bags | Jun-11 | May-11 |
|------------------|--------|--------|
| Indore | 20000 | 10300 |
| Jaipur | 156500 | 261300 |
| Kanpur | 6320 | - |

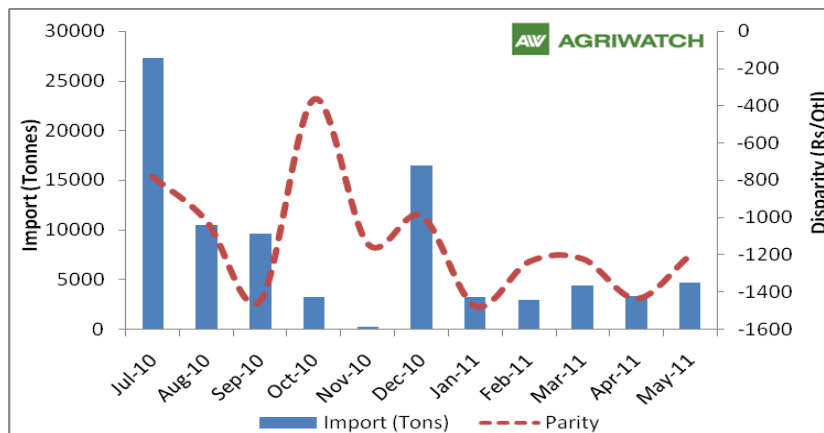
Current Scenario:

Major deviation is not recorded in moong fundamentals during June 2011 against previous month's fundamentals. However, monsoon is the only factor which will provide direction to moong prices in near term. Although SW monsoon advanced almost over the entire India, but distribution of rains over some of the key southern states Maharashtra and AP hindered sowing activity in turn supporting the prices. Area under moong in Maharashtra till June 28, 2011 is reported at 14,852 hectares as compared to the previous year's area of 68,906 hectares during the same period while in AP, area till June 22, 2011 is reported at 28,727 hectares against last year's area of 77,248 hectares during the same period.

However, IMD has forecasted that rainfall will gain momentum from mid July 2011 onwards but since right time of moong sowing in southern parts of the country is almost over and good rainfall in July 2011 will not compensate for the delay in sowing in Maharashtra and Karnataka. However, key producing regions of Rajasthan have received pre monsoonal rainfall and due to this, sowing of the commodity has begun in some parts of the Rajasthan.

Trade participants in Rajasthan believe that better returns during last year and significant increase in MSP of moong for Kharif 2011-12 will motivate farmers to increase the acreage under commodity. MSP of moong has been raised to Rs 3500/qtl for Kharif 2011-12 against last year's MSP of Rs 3170/qtl. In addition to increased MSP, an additional incentive of Rs 500/qtl will be given to farmers if they sell their produce to government procurement agencies within two months of harvest/arrival time. However, distribution of rainfall during July 2011 in Rajasthan is the crucial factor to be watched and if Rajasthan will receive normal rainfall then likely increase in acreage in Rajasthan will offset the lower acreage in Maharashtra and Karnataka to some extent.

Amid good crop in 2010-11 season, the dependence on imports from international market has reduced to some extent. Despite of the dull demand from India July 2010 onwards, international prices remained on the higher side throughout the year due to the strong demand from China and tight supply in Myanmar and this had resulted in huge disparity in import moong in India during the entire year which further hindered imports.



Currently importers are finding disparity of Rs170/Qtl in imports due to which the imports are unviable at the moment. Also the international prices are expected to remain at higher side due to reportedly limited availability of the commodity in Myanmar which further keep imports unviable.

Market Outlook:

Moong prices are expected to remain range bound in coming days on sluggish demand as well as availability of summer moong. However, progress Kharif 2011 sowing and monsoon rains may decide the price movement in days to come.

Price Outlook for Desi Moong at Jaipur Market:



- As evident from the chart a range bound and sideways movement featured in moong prices.
- Prices are trading in the range of 4000-4500 level and two consecutive close either side of the mentioned range will give further direction to prices.
- Closing of prices below short term EMAs (9 and 18 days) suggests for weakness in the market.
- Oscillator RSI is flat in the neutral zone which hints for a range bound trade.
- We expect moong prices to remain range bound in coming week.

Strategy: Wait till direction is clear.

| S2 | S1 | PCP | R1 | R2 |
|------|-------|------|------|------|
| 3965 | 4000 | 4100 | 4400 | 4520 |
| Call | Entry | T1 | T2 | SL |
| WAIT | - | - | - | - |

Domestic Prices & Arrivals:

| Centre | | Prices (Rs/Qtl) | | |
|---------|----------|-----------------|------------|------------|
| | | 30-06-2011 | 30-05-2011 | 30-06-2010 |
| Mumbai | Annaseva | 3750 | 3800-4000 | 4700 |
| Chennai | Pedishwa | 5200 | 5500 | 7050 |

| | | | | |
|--------|----------------|------|-----------|------|
| Delhi | Mertha City | 4500 | 5400 | 6000 |
| | Rajasthan Line | 4750 | - | - |
| Indore | Chamki | 4000 | 4500 | 6400 |
| Kanpur | Desi | 4200 | 3600-4200 | - |
| Jaipur | Desi | 4200 | 3500-4300 | 6000 |

| Centre | Prices (Rs/Qtl) | | |
|-----------------|-----------------|------------|------------|
| | 30-06-2011 | 30-05-2011 | 30-06-2010 |
| Jalgaon | 5700-5800 | 6200-6300 | 8400 |
| Bikaner (Split) | 5300 | 5500 | 7900 |
| Indore | 6200 | 6000 | 7400 |

Market Recap:

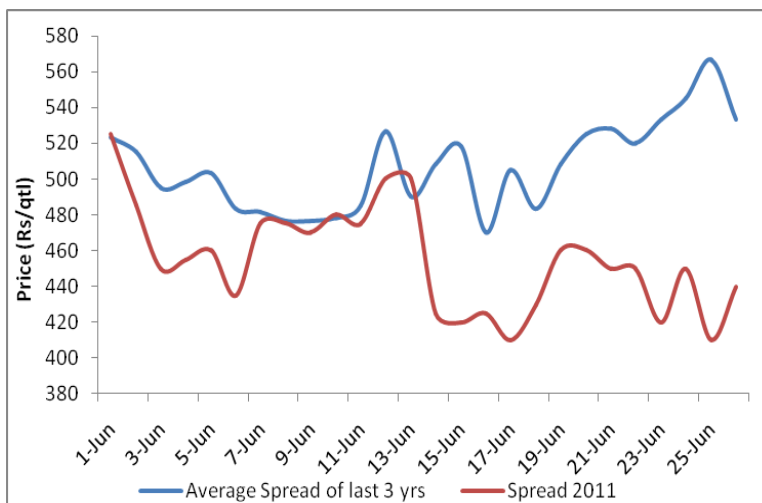
Desi masoor prices witnessed weak trend during June 2011 as prices have reduced by around 4.42% during the month compared to previous month. Major deviation is not recorded in masoor fundamentals throughout the month but dull demand of the commodity amid comfortable supplies keeping prices in check. Masoor prices have reached to season's lowest level of Rs 2790/qrtl on June 11, 2011 (at Kanpur market) but prices could not sustained at the lower price level due to the some buying support at lower levels and decline in arrivals from farmer's front.

Current Scenario:

Arrival of desi masoor has reduced during June 2011 on Kanpur and Indore markets compared to the previous month but despite of this prices have fallen sharply in both the markets. However, prices have found some support during last week of June 2011 as domestic markets received negligible arrival of new masoor in Indore and Kanpur market.

| Arrivals in bags | Jun-11 | May-11 |
|------------------|--------|--------|
| Indore | 29200 | 46000 |
| Kanpur | 26700 | 41900 |

Decline in demand of masoor dall in retail markets also supported bearish sentiments in masoor prices. Spread between masoor and masoor dall during June 2011 has reduced to Rs



455/qtl, lower by Rs 52/qtl than last three years average spread during the same period. However, masoor prices are expected to move in tandem with the spread between masoor and masoor dall, and since current spread level is too low than the last three year's average spread, therefore slight firmness is expected in masoor prices during next couple of weeks.

On the global front, owing to the favorable temperature in Canada, around 79% of the crop seeded in Saskatchewan is in good to

| | Excellent | Good | Fair | Poor | Very Poor |
|---------------------------------|-----------|------|------|------|-----------|
| Southeast Saskatchewan | 1% | 28% | 29% | 37% | 5% |
| Southwest Saskatchewan | 7% | 57% | 30% | 6% | 0 |
| Eastcentral Saskatchewan | 31% | 50% | 19% | 0 | 0 |
| Westcentral Saskatchewan | 13% | 71% | 16% | 0 | 0 |
| Northeast Saskatchewan | 5% | 60% | 35% | 0 | 0 |
| Northwest Saskatchewan | 0 | 21% | 79% | 0 | 0 |

fair condition till June 20, 2011. However, heavy rainfall in Saskatchewan during third week of June 2011 has raised the issues of excess moisture in the soil and this might result in crop loss if rainfall will continue in coming days. Above mentioned table represents crop condition in Canada.

If we talk about the production, harvested area under lentils in Canada is expected to fall by 21% to 1.05 million hectares due to the better returns in alternate crops like Canola and wheat and due to this output is expected to fall by 20.4% to 15.50 lakh tonnes compared to the last year. However, near record supply is forecasted for a second consecutive year as good carry-in stocks will offset the lower production factor. Projections of higher ending stocks during 2011-12 compared to last year will keep international prices under control in near term. Below mentioned table shows Canadian lentils outlook:

| | Area Harvested | Production | Imports | Total Supply | Exports | Ending Stocks |
|----------------|----------------|------------|---------|--------------|---------|---------------|
| | (000 ha) | (000 MT) | | | | |
| 2009-10 | 963 | 1510 | 10 | 1552 | 1387 | 45 |
| 2010-11 | 1336 | 1947 | 35 | 2027 | 1200 | 450 |
| 2011-12 | 1050 | 1550 | 15 | 2015 | 1300 | 500 |

Market Outlook:

Masoor prices are expected to remain range bound with weak bias in near term. However, prices are already near the lows 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 check.

Price Outlook of Desi Masoor at Kanpur Market:


- Candlestick pattern shows selling interest in the market.
- Closing of prices below 9 and 18 days moving average suggests for weakness in the market.
- RSI is rising in neutral zone, supporting bullish sentiments.
- MACD is moving down in negative zone which hints for further weakness in prices.

| S2 | S1 | PCP | R1 | R2 |
|-------------|-------|------|------|------|
| 2710 | 2780 | 2860 | 2910 | 2930 |
| Call | Entry | T1 | T2 | SL |
| SELL | <2900 | 2845 | 2820 | 2940 |

Domestic Prices & Arrivals:

| Centre | | Prices (Rs/Qtl) | | |
|--------|-------------------|-----------------|------------|------------|
| | | 30-06-2011 | 30-05-2011 | 30-06-2010 |
| Mumbai | Red Lentils | 2500-2700 | 2700-2800 | 3725 |
| | Chanti Export | 3950-4075 | 4000-4050 | 4800 |
| Delhi | MP/ Kota Line | 2750-2875 | 2800-2850 | 3250-3275 |
| | UP/ Sikri Line | 3000-3050 | 3050 | 3750-3800 |
| Kanpur | Mill Delivery | 2860 | 2840 | 3560 |
| | Bareilly Delivery | 2900 | 2870 | 3650 |

| | | | | |
|--------|-------|------|------|------|
| Indore | Masra | 2925 | 2850 | 3650 |
|--------|-------|------|------|------|

Processed Masoor Rates (Dall):

| Centre | Prices (Rs/Qtl) | | |
|----------------------|-----------------|------------|------------|
| | 30-06-2011 | 30-05-2011 | 30-06-2010 |
| Kanpur (Malka) | 3300 | 3325 | 4100 |
| Indore | 3450 | 3400 | 4250 |
| Delhi (Badi Masoor) | 3400-3450 | 3500-3550 | 4050 |
| Delhi (Choti Masoor) | 3900-4000 | 3900-4000 | 4750 |
| Katni | 3200-3400 | 3025-3475 | - |

Peas (Matar)

Market Recap:

Desi peas prices witnessed steady to firm sentiments during the month. Arrivals of desi peas have almost finished in the domestic markets but on contrary demand for the commodity remained strong throughout the month. Desi peas prices in Kanpur market during June 2011 increased by 3.9% to Rs 2214/qtl (average monthly price) compared to the previous month's average price of Rs 2131/qtl.

As desi peas has mostly been consumed in the domestic markets and non availability of desi peas has increased the demand for imported peas. Significant improvement in desi peas prices and improved demand for imported peas have also influenced imported peas prices in Mumbai market to move higher. Prices of Canadian origin Yellow Peas have increased by 5.54% to Rs 1923/qtl (average prices during June 2011) in Mumbai market compared to the previous month's average prices of Rs 1822/qtl.

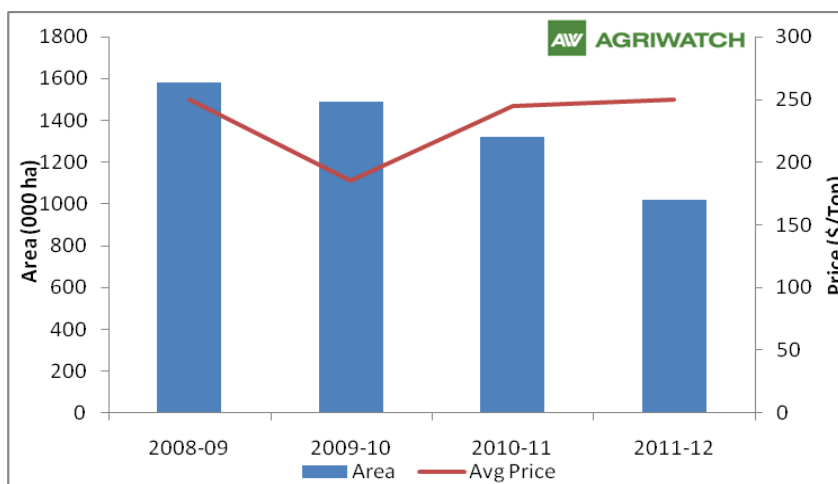
Current Scenario:

Supply crunch of desi peas is consistently moving peas prices in northwards direction. Since availability of desi peas will remain tight till next domestic crop and to fulfill domestic demand, India will have to rely on imported peas. Stock of imported peas till June 2011 at Indian ports is reported at around 3.5-4.0 lakh tonnes compared to the estimated stock of 4.0-4.5 lakh tonnes last month. Current stock position of imported peas in India will cater domestic demand for next two months only and thereafter we need to import the commodity to bridge the gap between demand and supply.

Reportedly traders in Mumbai are entering into fresh contracts for Yellow peas for Sep-Oct 2011 delivery at Rs 2100-2125/qtl which is up by Rs 110-125/qtl compared to the prevailing prices of Yellow peas in Mumbai. Since worries of supply shortage in coming months have already influenced peas prices in domestic markets and reports of fresh import contracts at higher price levels are further hinting for increase in prices in months to come.

Since country is mostly dependent on import, therefore fundamentals in the international markets are to be watched carefully. Production outlook of the Canadian peas is hinting for firm market as wet conditions in Canada has already delayed the sowing of the commodity by around one month and in addition to this, better returns in crops like Canola and wheat have forced farmers to shift the area of peas into alternate crops.

Area under peas in Canada is likely to fall drastically to 10.2 lakh hectares (area harvested) during 2011-12 compared to previous year's area of 13.22 lakh hectares. Decline in peas area in Canada reflects possibilities of lower production in the country which in turn translate in global peas shortage, aiding firmness.



However, significant decline in area and possibilities of lower production will put sellers in a dominating position and average prices during 2011-12 are expected to be \$235-265/ton compared to the previous year's average prices of \$230-260/ton. Given graph shows expected acreage and average prices in Canada.

Production in Canada is expected to fall by around 19.64% to 23 lakh tonnes during 2011-12 compared to the previous year's output of 28.62 lakh tonnes. Since Canada has already exported around 24 lakh tonnes of peas till June 16, 2011 and production during 2010-11 was also less, therefore ending stocks during 2010-11 will fall sharply to 2.5 lakh tonnes against ending stocks of 7.95 lakh tonnes during 2009-10. Due to the lower ending stocks and output, availability of the commodity will remain tight in 2011-12, hence support international peas prices.

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 | 50 | 557 | 2900 | 250 |
| 2011-12 | 1111 | 2300 | 50 | 500 | 2000 | 100 |

Market Outlook:

Considering the above factors, peas prices are expected to remain on higher side. Supply crunch of desi peas amid strong demand will support its prices in near term.

Price Outlook for Desi Peas at Kanpur Market:



- Candlestick pattern shows buying interest in the spot market.
- Closing of prices above 9 and 18 days moving average suggests for firmness in the market.
- RSI is moving up in overbought zone, hinting for decline in prices.
- MACD is also moving up which further suggests for improvement in prices.
- Prices are moving above trend line which further supports bullish sentiments.

| S2 | S1 | PCP | R1 | R2 |
|------|-------|------|------|------|
| 2250 | 2280 | 2330 | 2440 | 2470 |
| Call | Entry | T1 | T2 | SL |
| BUY | >2305 | 2395 | 2425 | 2270 |

Domestic Prices & Arrivals:

| Centre | | Price (Rs/Qtl) | | |
|--------|----------------|----------------|------------|------------|
| | | 30-06-2011 | 30-05-2011 | 30-06-2010 |
| Mumbai | White American | 2111 | 1911 | 1611-1621 |
| | White Canadian | 2031 | 1831 | 1581-1591 |
| | Green American | 2600 | 2600-2650 | 2250 |
| | Green Canadian | 2100-2300 | 2250 | 2050-2075 |
| Kanpur | Desi | 2330 | 2130 | 1840 |

Chickpeas (Chana)

Market Recap:

Chana prices witnessed firm trend during the month. Regular demand of the commodity amid decline in arrivals in MP and Rajasthan compared to the previous month resulted in 7.21% increase in chana prices during June 2011 against May 2011 as average prices during June 2011 are recorded at Rs 2521/qtl compared to the monthly average price of Rs 2343/qtl in May 2011. Moreover, worries of supply shortage of peas in domestic markets in coming months also lent support to chana prices throughout the month. Additionally, good demand for chana dall and besan in retail markets also supported improvement in chana prices.

Current Scenario:

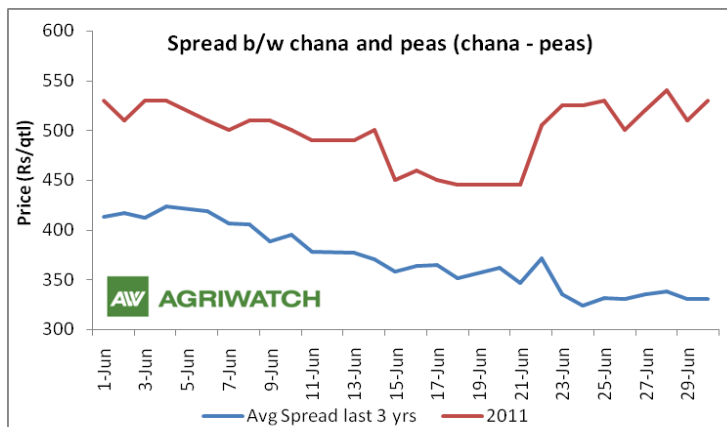
India has witnessed bumper chana production during current year but despite of this, prices are in northwards direction due to the firm demand of the commodity. Additionally, most of the stock of chana is in the hands of big stockists who are holding back stocks in anticipation of price rise which supported the sentiment besides declining arrivals from Rajasthan. Given table shows in key mandi wise arrival of chana.

| Arrivals in Bags | Jun-11 | May-11 |
|-------------------------------|--------|--------|
| Indore | 63000 | 98400 |
| Bikaner | 17800 | 69200 |
| Delhi | 935 | 1305 |
| MP | 355000 | 697000 |
| Rajasthan | 181500 | 840000 |
| Arrival in Delhi is in Motors | | |
| 1 motor = 16 tonnes | | |

However, trade participants believe that arrival in Rajasthan and MP might improve in coming days with the arrival of monsoon as stockists might release stock due to the fear of “dunk” in chana. Also higher prices may encourage stockists to liquidate some of their stock and this might put cap on rising chana prices to some extent.

Meanwhile, movement in peas prices is also influencing chana prices from last month. Normally peas prices takes cue from chana prices but this year chana prices are taking direction from peas prices. Stock of peas in domestic markets is not sufficient to feed the country till new domestic crop and will only fulfill the demand for next couple of months and fears of supply shortage in coming months have resulted in significant increase in peas prices and subsequently chana prices have also increased.

Spread between chana and peas prices has increased significantly during June 2011 compared to the last 3 year's spread during the same period. However, spread between the two commodities is expected to narrow down in next couple of days. Since peas prices are further expected to increase in near term due to the worries of supply shortage, therefore chana prices are also likely to take cue



from this and are expected to remain on higher note and if current spread level will narrow down then, percentage increase in chana prices will be more than that of peas.

On the global front, area under chickpeas in Australia during 2011-12 is forecasted lower by 44.50% to 3.03 lakh hectares. But more than normal rainfall during May 2011 in key producing states New South Wales and

| | Area (000 ha) | Yield (t/ha) | Production (LT) |
|---------|---------------|--------------|-----------------|
| 2009-10 | 429 | 1.14 | 487 |
| 2010-11 | 546 | 0.69 | 379 |
| 2011-12 | 303 | 1.27 | 385 |

Queensland has provided good soil moisture and this has raised the prospects of better yield during coming season. Yield of the commodity during 2011-12 is forecasted 84% higher to 1.27 tonnes per hectare. Significant increase in yield is expected to offset the lower area factor and due to this, production of chickpeas is expected to be around 3.85 lakh tonnes during 2011-12 compared to last year's output of 3.79 lakh tonnes. Given table represents Australian chickpeas scenario.

Market Outlook:

Chana prices are expected to remain range bound with firm bias in coming days. Any further improvement in peas price would further support chana price to remain on higher side.


Price Outlook at Delhi (Chana MP):



- Chana prices could not sustain at higher levels but still closed above previous week's closing level.
- Closing of prices above 9 and 18 days moving average suggests for firmness in the market.
- RSI is moving up in neutral zone, supporting bullish sentiments.
- MACD is also moving up in positive zone which further suggests for improvement in prices.

| S2 | S1 | PCP | R1 | R2 |
|------|-------|------|------|------|
| 2600 | 2630 | 2725 | 2750 | 2800 |
| Call | Entry | T1 | T2 | SL |
| BUY | >2650 | 2725 | 2752 | 2600 |

Futures Technical (NCDEX):

| CHANA | | | | | | | |
|--|-------|------|---|-------|------|------|------|
| Technical Commentary: | | |  | | | | |
| <ul style="list-style-type: none"> • Candlestick pattern shows buying interest in the market. • Volume and open interest are supporting improvement in chana prices. • MACD is rising in positive zone which further suggest for improvement in chana prices. • RSI is moving up in overbought zone, thus hinting for decline in prices. • Closing of price above 9 & 18 days EMA hints for firmness in market. • Overall trend remains bullish and buying from lower levels is advisable. | | | | | | | |
| Strategy: Buy on dips. | | | | | | | |
| Intraday Supports & Resistances | | | S2 | S1 | PCP | R1 | R2 |
| Chana | NCDEX | July | 2680 | 2713 | 2782 | 2850 | 2888 |
| Intraday Trade Call | | | Call | Entry | T1 | T2 | SL |
| Chana | NCDEX | July | BUY | >2750 | 2822 | 2850 | 2700 |

Domestic Prices & Arrivals:

| Centre | | Prices (Rs/Qtl) | | |
|---------|----------------|-----------------|------------|------------|
| | | 30-06-2011 | 30-05-2011 | 30-06-2010 |
| Mumbai | Australian | 2375-2400 | 2300 | 2150 |
| Delhi | Rajasthan | 2700 | 2420-2425 | 2250 |
| | Madhya Pradesh | 2725 | 2475 | 2250 |
| Bikaner | Desi | 2625 | 2350 | 2175 |
| Indore | Kantewala | 2800 | 2420 | 2100 |
| Kanpur | Desi | 2860 | 2620 | 2270 |
| Latur | Gauran | 2550-2650 | 2300-2600 | 2015-2020 |
| | Annagiri | 2500-2700 | 2600 | 2210 |
| | G-12 | 2500-2600 | 2400 | - |

| Centre | | Arivals (Bags per Quintal) | | |
|--------|----------------|----------------------------|------------|------------|
| | | 30-06-2011 | 30-05-2011 | 30-06-2010 |
| Delhi* | Rajasthan | 30 | 100 | 40 |
| | Madhya Pradesh | 30 | 100 | 40 |
| Indore | Kantewala | 7000 | 7000 | 1500 |
| Latur | Gauran | 300 | 700 | 500 |
| | Annagiri | 100 | - | 200 |
| | G-12 | 200 | - | - |

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

Processed Chana Rates (Dall):

| Centre | Prices (Rs/Qtl) | | |
|----------|-----------------|------------|------------|
| | 30-06-2011 | 30-05-2011 | 30-06-2010 |
| Jalgaon | 3300-3400 | 3000 | 2600 |
| Latur | 3200 | 2900 | 2800 |
| Akola | 2900-3100 | 2875-2900 | 2400-2600 |
| Kanpur | 3250 | 3000 | 2650 |
| Bikaner | 3150 | 2800 | 2515 |
| Indore | 3600 | 3300 | 2950 |
| Delhi | 3150-3250 | 2825-2950 | 2650 |
| Gulbarga | 3350-3400 | 3000-3100 | - |

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>

© 2005 Indian Agribusiness Systems Pvt Ltd.