

# PULSE INDIA



AN INDIA PULSES AND GRAINS ASSOCIATION PUBLICATION

*Vol: I Issue 04 May-June 2015*

- ✧ Indian Crop Year 2014-15 Harvest Summary
- ✧ Canada Principal Field Crops Outlook
- ✧ US- Estimated Acreage & Production -2015
- ✧ Worldwide White and Colored Bean Trade- An Overview



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### *From the Chairman's Desk*

*Dear friends,*

*It was great meeting many of you in Las Vegas. I am sure you enjoyed the conference and the beautiful city of Las Vegas.*

*The CICILS Executive Committee Meeting in Las Vegas was indeed special as we elected our new President Mr. Huseyin Arslan, the founder Chairman of AGT Group. India Pulses and Grains Association extends its warm welcome to Huseyin and promises its unconditional support during his tenure as President of the Global Pulse Confederation.*

*I feel privileged for the unanimous decision to elect me as the Executive Vice President of the Global Pulse Confederation and I am indeed grateful for the faith that the Executive Committee has reposed in me.*

*I take this opportunity to thank outgoing President Mr. Hakkan Bahceci for the momentous job that he has done in making the Global Pulse Confederation a truly International organization well recognized across the Globe.*

*I am delighted to inform you that the dates for THE PULSES CONCLAVE 2016 have been finalised. We will be hosting the Conclave at Jaipur on February 17, 18 and 19, 2016. The exact location and registration details will be finalised latest by the end of June 2015 and our team will keep you updated on the same.*

*The year 2016 is fast approaching and the preparations for celebrating it as International Year of Pulses are gathering speed. IPGA, on its part, has prepared a 12 to 15 months campaign plan to increase production, consumption and trade of Pulses in India. We will soon be starting a fund raising campaign and I invite all of you to contribute to this campaign in any and every way that you can.*

*As you are aware, IPGA mandated GGN Research to conduct a crop survey and this issue has the final harvest report. Apart from this, we also have other reports like 'An Overview of the Worldwide White and Colored Bean Trade' by Dr. Randall Fairman; 'Projected planting acreage for the March – May 2015' by USDA National Agricultural Statistics Service; Outlook on Pulses production in Canada by Agriculture and Agri-Food Canada for current crop year 2014-15 and upcoming crop year 2015 – 16.*

*I do hope you shall enjoy reading this issue of PULSE INDIA and look forward to your comments and suggestions.*

*Thank you*

**Pravin Dongre**  
CHAIRMAN



## INDIA PULSES AND GRAINS ASSOCIATION INTRODUCES

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## SUMMARY OF INDIAN KHARIF AND RABI HARVEST FOR CROP YEAR 2014-15

### MOONG

#### Sowing Summary

The delayed arrival of monsoons and dry weather till mid-July caused a decline of sowing area on Moong by 13% as compared to last year. Rainfall improved post mid-July but did not provide enough breaks, due to which sowing intentions were difficult to achieve. The sowing area declined in all States except Madhya Pradesh where the area under acreage increased by 46%.

#### ➤ Harvesting Summary

The complete withdrawal of monsoons from Central and Western India by 3<sup>rd</sup> week of September allowed the weather to become warm & dry in October and November providing a favourable environment for maturation. This allowed harvesting to continue uninterrupted. However, rains continued in Southern India causing a brief interruption in harvesting leading to some

decline in the quality of the crop.

- **Sowing time: Started from 2<sup>nd</sup> Week July and completed by 3<sup>rd</sup> week Aug.**
- **Harvesting time: Started from late Sept and continued till first week of November.**

#### All India Summary

- Total area under Moong crop in India for the year 2014 has decreased by 13% as compared to previous year.
- Average yield for the year 2014 has decreased by 13%.
- Estimated total production of Moong crop for India for the year 2014 has decreased by 25% as compared to previous year.

#### ALL INDIA STATEWISE MOONG AREA YIELD & PRODUCTION

State	STATEWISE AREA, PRODUCTION & YIELD OF MOONG								
	AREA:-000'HECTARE, PRODUCTION:-000'TONNES, YIELD:-KG./HECTARE								
	AREA 2013	AREA 2014	Chng in (%)	YIELD 2013	YIELD 2014	Chng in (%)	PROD. 2013	PROD. 2014	Chng in (%)
Rajasthan	926	850	-8%	525	425	-19%	486.15	361.25	-26%
Maharashtra	448	319	-29%	600	550	-8%	268.80	175.45	-35%
Karnataka	298	244	-18%	550	475	-14%	163.90	115.90	-29%
M.P.	112	163	46%	300	435	45%	33.60	70.91	111%
A.P. & Telangana	141	90	-36%	500	450	-10%	70.50	40.50	-43%
Uttar Pradesh	75	64	-15%	450	400	-11%	33.75	25.60	-24%
Others	400	355	-11%	415	367	-12%	166.13	130.13	-22%
<b>Total</b>	<b>2400</b>	<b>2085</b>	<b>-13%</b>	<b>510</b>	<b>441</b>	<b>-13%</b>	<b>1222.83</b>	<b>919.73</b>	<b>-25%</b>



### URAD

#### ➤ Sowing Summary

- The delayed arrival of monsoons and dry weather till mid-July caused a decline of sowing area on Moong by 5% as compared to last year. Rainfall improved post mid-July and sowing continued till first week of August. The sowing area declined in all States except Madhya Pradesh and Rajasthan where the area under acreage increased by 35% and 14% respectively.

#### ➤ Harvesting Summary

- The complete withdrawal of monsoons from Central and Western India by 3<sup>rd</sup> week of September allowed the weather to become warm & dry in October and November providing a favourable environment for maturation. This allowed harvesting to continue uninterrupted. However, rains continued in Southern India causing a brief interruption in harvesting leading to some decline in the quality of the crop.

- **Sowing time: Started from 2<sup>nd</sup> Week July and was completed by 3<sup>rd</sup> week Aug.**
- **Harvesting time: Started from late Sept and completed by 1<sup>st</sup> week of November.**

#### All India Summary

- Total area under Urad crop in India for the year 2014 has increased by 5% as compared to previous year.
- Average yield for the year 2014 has increased by 3%.
- Estimated total production of Urad crop for India for the year 2014 has increased by 8% as compared to previous year.

#### ALL INDIA STATEWISE URAD AREA YIELD & PRODUCTION

State	STATEWISE AREA, PRODUCTION & YIELD OF URAD								
	AREA:-000'HECTARE, PRODUCTION:-000' TONNES, YIELD:-KG/HECTARE								
	AREA 2013	AREA 2014	Chng in (%)	YIELD 2013	YIELD 2014	Chng in (%)	PROD. 2013	PROD. 2014	Chng in (%)
Madhya Pradesh	640.00	862.00	35%	275	410	49%	176.00	353.42	101%
Uttar Pradesh	577.00	561.00	-3%	400	360	-10%	230.80	201.96	-12%
Maharashtra	330.00	256.00	-22%	566	540	-5%	186.78	138.24	-26%
Rajasthan	157.00	179.00	14%	450	400	-11%	70.65	71.60	1%
Karnataka	84.00	60.00	-29%	450	425	-6%	37.80	25.50	-33%
A.P. & Telangana	38.00	29.00	-24%	425	400	-6%	16.15	11.60	-28%
Others	561.00	553.00	-1%	408	403	-1%	228.80	222.90	-3%
<b>Total</b>	<b>2387.00</b>	<b>2500.00</b>	<b>5%</b>	<b>397</b>	<b>410</b>	<b>3%</b>	<b>946.98</b>	<b>1025.22</b>	<b>8%</b>



## TUR

### ➤ Sowing Summary

- The delayed arrival of monsoons and dry weather till mid-July caused a decline of sowing area on Moong by 8% as compared to last year. Rainfall improved post mid-July and sowing continued till first week of August. The sowing area declined in all States.

### ➤ Harvesting Summary

- The warm weather in December provided a favourable environment for crop maturation and harvesting and continued till the 3<sup>rd</sup> week of January.
- Sowing time: Started from 2<sup>nd</sup> Week July and completed by 3<sup>rd</sup> week Aug.**

- Harvesting time: Started from 3<sup>rd</sup> week of Dec and completed by 3<sup>rd</sup> week of Jan.**

### All India Summary

- Total area under Tur crop in India for the year 2014 has decreased by 8% as compared to previous year.
- Early Guesstimate of average yield for the year 2014 has decreased by 17% over last year.
- Early Guesstimate of total production of Tur crop for India for the year 2014 has decreased by 24% as compared to previous year.

### ALL INDIA STATEWISE TUR AREA YIELD & PRODUCTION

State	STATEWISE AREA, PRODUCTION & YIELD OF TUR								
	AREA:-'000'HECTARE , PRODUCTION:-'000'TONNES, YIELD:-KG./HECTARE								
	AREA 2013	AREA 2014	Change in (%)	YIELD 2013	YIELD 2014	Change in (%)	PROD. 2013	PROD. 2014	Change in (%)
Maharashtra	1096	1037	-5%	828	566	-32%	907.49	586.94	-35%
Karnataka	818	703	-14%	850	640	-25%	695.30	449.92	-35%
M.P.	532	521	-2%	780	820	5%	414.96	427.01	3%
A.P.	435	376	-14%	780	635	-19%	339.30	238.76	-30%
U. P.	349	320	-8%	690	730	6%	240.81	233.72	-3%
Others	624	606	-3%	725	650	-10%	452.40	393.90	-13%
All India	3854	3563	-8%	791	654	-17%	3050.3	2330.25	-24%

# PULSES GATEWAY OF INDIA

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- ▶ Plant Quarantine (PQ) office available near the port
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- ▶ FSSAI currently at Chennai coming soon at KPCT
- ▶ Distance advantage to various Dhall Mills in Andhra Pradesh





## CHANA

### ➤ Sowing Summary

- This year, low soil moisture due to below average monsoons, sowing of Chana declined in all States. On an all-India level, the total area covered under Chana declined by 13%. The sowing area declined by 16% in Rajasthan, 15% in Maharashtra, 13% in Madhya Pradesh. Due to poor soil conditions.
- On the other hand, poor price realisation in Chana over the last two years saw sowing area declining by 19% in Andhra Pradesh and 5% in Karnataka as farmers preferred to sow cotton instead of Chana.

### ➤ Harvesting Summary

- The dry conditions in Andhra Pradesh and Karnataka in January & February ensured that harvesting was completed in time and no deterioration in quality of the crop. Untimely rains in Madhya Pradesh in February and early March affected the harvesting process and caused deterioration of crop as well.

- However, untimely rains helped the crop in Rajasthan as the sowing was delayed and the rainfall helped in irrigating the crops. The harvesting in Rajasthan started in late March.
- Sowing time: Started from 3<sup>rd</sup> week Sep and was majorly completed by 2<sup>nd</sup> week Dec.**
- Harvesting time: Started from late Jan and completed by 2<sup>nd</sup> week of April.**

#### All India Chana Summary

- Total area under Chana crop in India **has decreased by 13%** compared to previous year.
- Average yield has **decreased by 3%** compared to previous year.
- Estimated total production of Chana crop for India **has decreased by 16%** compared to previous year.

#### Percentage Change in Area, Yield and Production

	Estimated Area (000 Ha.)			Estimated Yield (Kg/Ha.)			Estimated Production (000 MT.)			
	AREA	AREA	Chng in %	YIELD	YIELD	Chng in %	PROD.	PROD.	Chng (Absl)	% Chng
	2013	2014		2013	2014		2013	2014		
M.P.	3360	2925	-13%	730	757	4%	2453	2214	-239	-10%
Raj.	1675	1405	-16%	605	607	0%	1013	853	-160	-16%
Mah.	1650	1400	-15%	735	663	-10%	1213	928	-285	-23%
Karnataka	980	930	-5%	670	600	-10%	657	558	-99	-15%
A.P.	580	470	-19%	625	540	-14%	363	254	-109	-30%
U.P.	475	420	-12%	600	585	-3%	285	246	-39	-14%
Others	917	800	-13%	580	550	-5%	532	440	-92	-17%
All India	9637	8350	-13%	676	658	-3%	6515	5493	1022	-16%

- Kabuli Chana Production is Included in All India Chana Production.**



## LENTIL (MASOOR)

### ➤ Sowing Summary

- Huge yield losses due to extreme cold and foggy conditions last year proved to be deterrent for farmers for sowing Lentils. The below average rainfall reducing the available water for irrigation left them with little choice but to sow Lentils. As a result, the overall drop in acreage under Lentils declined by about 8% as compared to last year.

### ➤ Harvesting Summary

- Harvesting process was hampered due to intermittent rains in late February and early March but there were good amount of dry periods in-between that allowed the crop harvesting. However, rains have caused deterioration in quality of crops left in the fields to dry.

- Sowing time: Started from 4<sup>th</sup> week Oct and was majorly completed by 1<sup>st</sup> week Dec.**
- Harvesting time: Started from 3<sup>rd</sup> week of Feb and completed by 4<sup>th</sup> week of March.**

#### All India Lentils (Masoor) Summary

- Total area under Masoor in India has **decreased by 8%**.
- Average Yield **has increased by 56%**.
- Total Production has **increased by 44%** as compared to previous year.

#### Percentage Change in Area, Yield and Production

State	Estimated Area (000 Ha.)			Estimated Yield (Kg/Ha.)			Estimated Production (000 MT.)		
	AREA	AREA	Chng in %	YIELD	YIELD	Chng in %	PROD.	PROD.	Chng in %
	2013	2014		2013	2014		2013	2014	
Madhya Pradesh	515.00	480.00	-7%	300	525	75%	154.50	252.00	63%
Uttar Pradesh	575.00	505.00	-12%	275	450	64%	158.13	227.25	44%
Others	342.00	335.00	-2%	350	425	21%	119.70	142.38	19%
All India	1432.00	1320.00	-8%	302	471	56%	432.33	621.63	44%



## YELLOW PEAS

### ➤ Sowing Summary

- The below average rains proved to be a boon in disguise as farmers preferred to cultivate yellow peas as it requires less irrigation as compared to wheat. The overall acreage for yellow peas has increased by 3%.

- Sowing time:** Started from 4<sup>th</sup> week Oct and was majorly completed by 1<sup>st</sup> week Dec.
- Harvesting time:** Started from 3<sup>rd</sup> week of Feb and completed by 4<sup>th</sup> week of March.

### ➤ Harvesting Summary

- Intermittent rainfall during the harvest period did delay the harvesting process but the breaks in-between allowed for its completion. There are some issue over quality due to untimely rains but most of the crop was harvested un-harmed.

### All India YELLOW PEAS Summary

- Total area has **increased by 3%** as compared to previous year.
- Average yield has **increased by 28%**.
- Estimated total production of Yellow peas crop has **increased by 32%** as compared to previous year.

### Percentage Change in Area, Yield and Production

State	Estimated Area (000 Ha.)			Estimated Yield (Kg/ Ha.)			Estimated Production (000 MT.)		
	AREA	AREA	Chng	YIELD	YIELD	Chng	PROD.	PROD.	Chng
	2013	2014	in %	2013	2014	in %	2013	2014	in %
Madhya Pradesh	296.00	284.00	-4%	550	685	25%	162.80	194.54	19%
Uttar Pradesh	332.00	360.90	9%	625	810	30%	207.50	292.33	41%
Others	144.00	151.00	5%	525	675	29%	75.60	101.93	35%
<b>All India</b>	<b>772.00</b>	<b>795.90</b>	<b>3%</b>	<b>578</b>	<b>740</b>	<b>28%</b>	<b>445.90</b>	<b>588.79</b>	<b>32%</b>

## Adani Container Terminals

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## International Year of Pulses 2016

*Huseyin Arslan*  
*President - CICILS Global Pulse Confederation*

The current state of the global pulses industry is an exciting one – a position that so many sectors would be envious of and one where planning is in place to capitalize on opportunities. It is with great pleasure that I assume the position of President of the Global Pulse Confederation as we lead into the United Nations International Year of Pulses, or IYOP, in 2016 where we expect public awareness of pulses and their consumption as well as governmental and industry groups to introduce and ratify, many upcoming policies and initiatives – ones that the GPC will be in support of. The partnership of industry, government and associations like GPC is unprecedented in our industry and demonstrates the true strength the pulses sector enjoys globally.

Food is important component of society - the sharing of a table and the friendships that are nurtured around the table as a communal meal is enjoyed – these are part of life in so many countries and cultures around the globe. Pulses have been the cornerstone of the sharing of food and global nutrition for centuries.

With IYOP in 2016, participation in a global initiative to share the story of pulses is a unique, once in a lifetime opportunity. It is planned to share the nutritional benefit, place in food security, sustainable agricultural production and supply of quality protein and the fact they are delicious, to countries and

citizens of the world who are not yet educated on the benefits of pulses. Even within countries and regions, where pulse consumption is high such as it is in India, a growing middle class is increasingly demanding nutritious, convenient, high quality foods consistent with local taste and preference. As we see in North America and Europe, food companies are adopting new ingredients to meet these consumer demands – India and the markets it services with a very developed food production sector is no different.

Branding and public awareness are certainly components IYOP, however food security and reducing trade barriers such as maximum residual levels (MRL's), for the movement of pulses from origins of production to origins of consumption is equally important. GPC plans to be active on all fronts relating to these and other initiatives. This is especially relevant to India, with the significant import volumes of pulses and staple foods annually. There is a saying that full stomachs are the cornerstone of a safe and productive society. Pulses are nutritious and healthy and important as components in dealing with so many other societal issues that may arise—poverty, education, health and disease, and social development. The GPC, through IYOP plans to continue the development and realization of opportunities in the pulses sector around the globe and in markets as the world embraces pulses.



## An Overview of the Worldwide White and Colored Bean Trade

*By Dr. Randall Fairman*  
*International Food Trade Magazine*



### Black Beans

#### Recent History

The nations of Central and South America represent the only significant import market for black beans. From around 2010 to 2012, China's growers built up black bean stocks that they could not sell at a profit, resulting in hundreds of thousands of tons of accumulated carryover.

In 2012/13, devastating drought hit Argentina and Brazil, giving China the opportunity to sell off its inventory. Reportedly, some of the beans shipped out

of China were two years old.

In 2013, black bean plantings in China were extensive, with production estimated at 250,000 MT. At Fairman International Business Consulting, we issued reports at the time indicating that this would be an issue, given that there was also extensive planting in Central and South America. A devastating flood in northeast China late in the growing season, however, wiped out 60% of China's crop.

Last year, growers in China again planted



black beans extensively and the harvest came in at around 250,000 MT. In Argentina, Mexico and Brazil, plantings were also high and yields were good. Consequently, world black bean stocks combined with the upcoming South American harvest should carry us through the next year. Although we expect China to scale back plantings to some extent, it still seems likely that the global black bean supply will be excessive this year.

#### Near-term Outlook

The following chart shows 2014 production in thousands of MT for the major black bean producing nations, with our projections for 2015 and 2016. Low prices for corn and other crops is pushing farmers to plant more black beans in 2015 even though they know there will likely be downward pressure on prices.

2014 Major Black Bean Producing Nations  
(thousands of MT - 2015 and 2016 projections)

Country	Bean	AVG	2014	2015	2016
China	black	225	250	175	125
North Am.	black	180	195	240	180
Argentina	black	120	165	225	185
Mexico	black	375	360	380	370
Brazil	black	450	500	530	450
Other	black	200	215	200	200
Total		1550	1685	1750	1510

Dr. Randall Fairman, IFT Consultant (Fairman International Business Consulting)

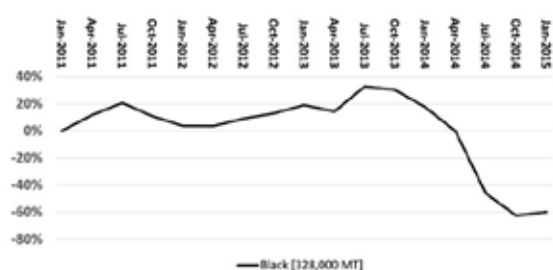
#### History of South American Bean Imports

The following chart shows the imports per year ending on the date indicated. For example, in the year ending January of 2011, a total of 328,000 MT of black beans were imported by South America. It is interesting to note that for each quarter from January 2011 through January 2014, total annual imports were more than

328,000 MT.

Then from January 2014 to January 2015, total imports were less than 150,000 MT. This drastic change has many possible explanations, but it seems to point to China losing share in the South American black bean market. Should this trend continue over the coming year, China's bean growers will have to adapt to this new market reality.

South America Black Bean Import (12 months)



Dr. Randall Fairman, IFT Consultant (Fairman International Business Consulting)

#### White Beans

##### Recent History

When South America suffered devastating drought, the North American bean industry was able to rapidly shift planting to increase great northern bean production and fill the demand gap left by the absence of Argentine alubias. During this time, there has been steady downward pressure on China's white bean industry, which has been steadily losing market share over the past several years.

##### Near-term Outlook

The historical average for the major white bean producing countries has been around 750,000 MT. The total harvested by these nations in 2014 was around 10% more than worldwide demand, and so there is strong downward pressure on prices right now. Additionally, white bean planting intentions



for 2015 continue to be above historical average demand, indicating there is likely at least one more year of excess global white bean supply.

2014 Major White Bean Producing Nations  
(thousands of MT - 2015 and 2016 projections)

Country	Bean	AVG	2014	2015	2016
China	Various	125	90	65	50
North Am.	Navy	265	315	315	270
North Am.	Great Northern	85	125	80	85
Argentina	Alubia	130	105	150	140
Africa	Various	110	145	135	120
Central Asia	Various	35	30	30	30
Total		750	810	775	695

Dr. Randall Fairman, IFT Consultant (Fairman International Business Consulting)

#### Trends of Interest

The following diagram shows white bean exports by calendar year over the past five years. It is interesting to note the steady increase in North American exports and the steady decline in Chinese exports. It seems that the Chinese bean industry is losing market share to the North American bean industry and they have no clear solution to the problem. Recent reports indicate that the Chinese domestic market for white beans might be starting to increase and perhaps that is going to be the best solution for their industry.

White Bean Exports (MT)



Dr. Randall Fairman, IFT Consultant (Fairman International Business Consulting)

#### Red Beans

##### Recent History

Over the past few years, dark red kidney bean prices have gone on a historic rollercoaster ride. In a one-year period, prices doubled and then returned to their previous level without a significant change in total volume shipped. It seems most likely that in the fall of 2013 there was a perception of scarcity associated with the flooding in China that caused processors to believe that they would have a difficult time filling their orders. In reality, the flooding in China did not hit the dark red kidney bean growing areas and the total production of dark red kidney beans worldwide was quite strong. Regardless of the cause of the price rollercoaster, the dark red kidney bean supply side had an excellent year in 2013, both in terms of volume and also in terms of price. As a result, planting was significantly up in 2014 and therefore many in the industry anticipated significant downward pressure on prices. Thus far, prices have remained stable in the face of high total production; additionally, total shipment volume has remained strong.

##### Near-term Outlook

The following graph indicates that total production in 2014 was around 25% higher than the historical average. It seems that 2015 total planting is likely to be up from 2014 and that at some point there will be a situation where excess supply will drive prices down. Thus far, however, the market has been holding strong.

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### PRODUCTS

#### CANARY SEED

#### DRY BEANS

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- GREAT NORTHERN
- NAVY
- PINTO
- SMALL RED
- YELLOW

#### DRY PEAS

- GREEN
- YELLOW
- SPLITS
- DUN

#### FABABEANS

#### CHICKPEAS

- DESI
- KABULI

#### LENTILS

- GREEN
- RED

#### MUSTARD

- WHOLE, GROUND, DEHEATED
- YELLOW
- BROWN
- ORIENTAL

### ADDITIONAL INFORMATION

#### FOOD SAFETY CERTIFICATION

North American and Australian processing facilities:

- ISO 22000 : 2005 compliant
- HACCP compliant
- Viterra pulse facilities are certified to FSSC 22000, a scheme recognized by the Global Food Safety Initiative

#### PROCESSING CAPABILITIES

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- Bulk containers
- Bagged
- Bulk Totes

### MERCHANDISING CONTACTS

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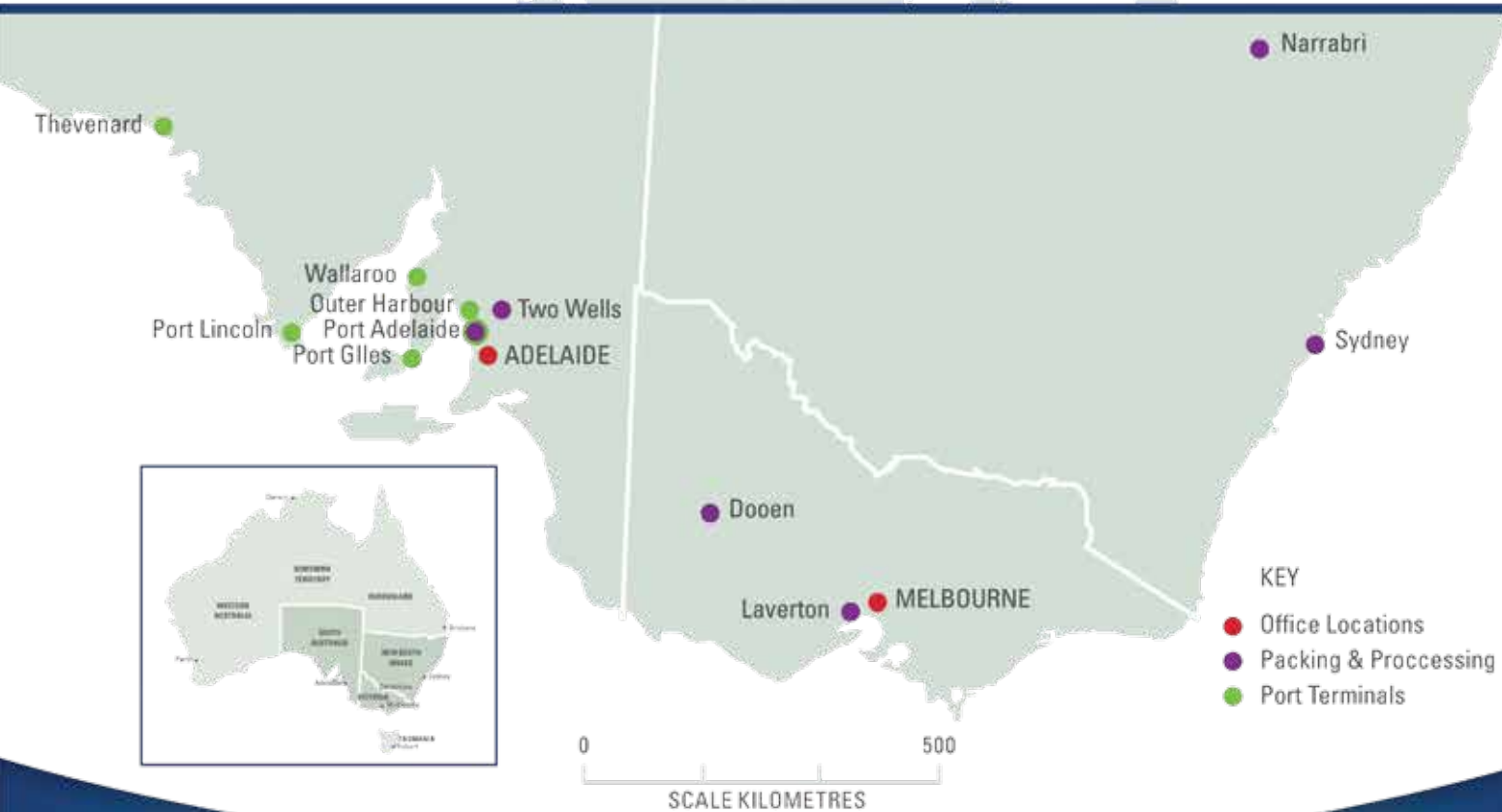
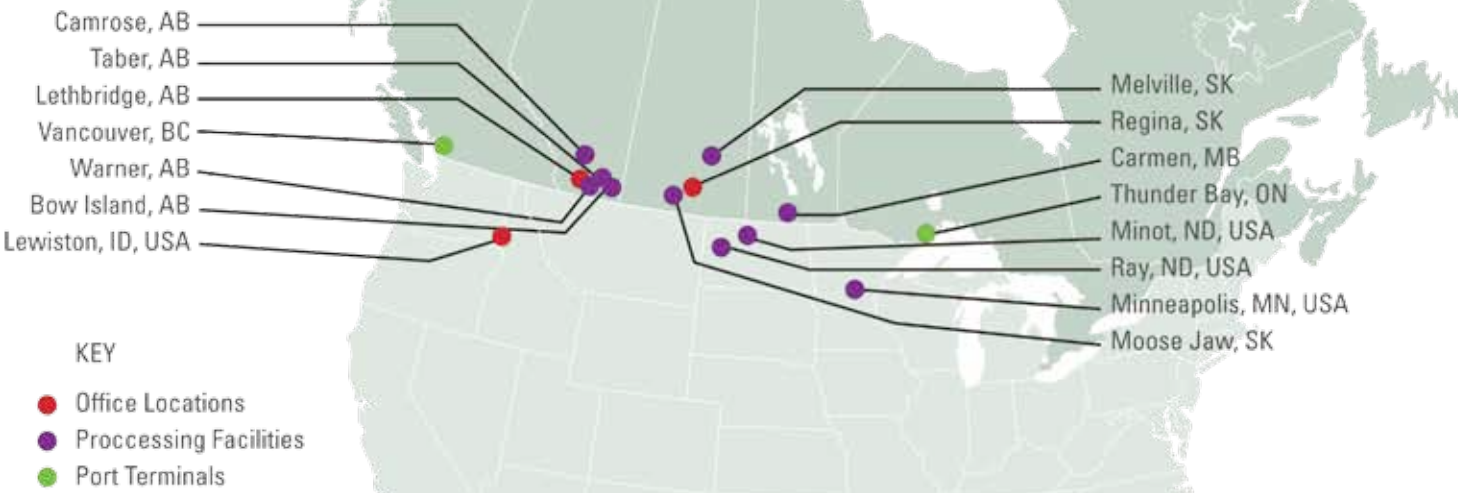
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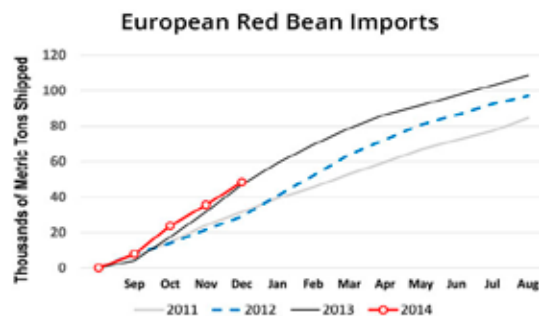


2014 Major Red Bean Producing Nations (thousands of MT - 2015 and 2016 projections)					
Country	Bean	AVG	2014	2015	2016
China	DRK	50	70	75	75
North Am.	DRK	40	63	66	66
North Am.	LRK	48	65	65	65
North Am.	Small Red	33	35	43	35
Argentina	LRK	12	11	15	15
Argentina	DRK	6	10	15	10
Ethiopia	Small Red	16	22	23	24
Total		205	275	301	290

Dr. Randall Fairman, IFT Consultant (Fairman International Business Consulting)

#### Trends of Interest

The following diagram indicates that total red bean demand in Europe has been steadily increasing at a rate of 10% per year for the past few years. This is particularly interesting given the extremely high prices of dark red kidney beans in 2014. The European market appears to have a hunger for red beans that is on the rise.



Dr. Randall Fairman, IFT Consultant (Fairman International Business Consulting)

#### Speckled Beans

##### Near-term Outlook

Total 2014 speckled bean plantings were fairly extensive. The majority of North American pinto beans are consumed in North America with less than 20% exported. The majority of Chinese light speckled beans are shipped to other parts of Asia and Africa (especially India and South Africa). Thus far there has been significant demand from India and South Africa for China's product and it seems likely that there is a reasonably good balance

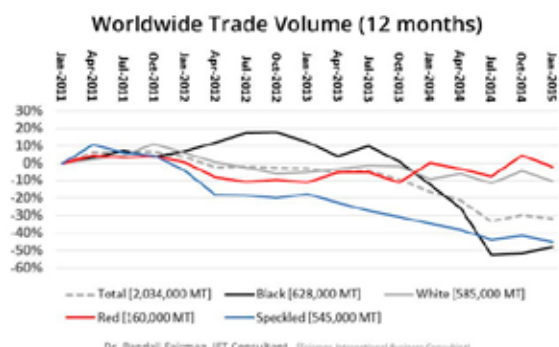
between supply and demand at this time.

Cranberry bean production has increased dramatically in 2014 and 2015, and it is not yet clear where that will take the market price. Traditionally cranberry beans have been much higher priced than other speckled beans, and it will be interesting to see whether this increase in supply will drive prices down closer to parity with the other types of speckled kidney beans.

2014 Major Speckled Bean Producing Nations (thousands of MT - 2015 and 2016 projections)					
Country	Bean	AVG	2014	2015	2016
China	Light speck	200	200	210	220
China	Cranberry	25	30	35	35
North Am.	Pinto	520	515	475	520
North Am.	Cranberry	15	25	20	20
Argentina	Cranberry	18	10	18	18
Total		778	780	758	813

Dr. Randall Fairman, IFT Consultant (Fairman International Business Consulting)

#### Recent Trends



Dr. Randall Fairman, IFT Consultant (Fairman International Business Consulting)

In terms of the worldwide trade volume for speckled kidney beans, there has been a steady downward trend over the past four years. It seems that, perhaps with the white and black beans being significantly overproduced in 2014 and 2015, speckled beans will make a rebound to near their previous levels over the coming years.



## Outlook for Principal Field Crops in Canada

By Steve Lavergne (Director) and Fred Oleson (Deputy Director)  
Agriculture and Agri-Food Canada

This report provides an update of Agriculture and Agri-Food Canada's (AAFC) April outlook report for the current crop year, 2014-15 and the upcoming crop year 2015-16. For most crops, the crop year in Canada starts on August 1 and ends on July 31<sup>st</sup>. The following report is an abridged version of the full report and gives details on Pulses.

For 2014-15, information has been incorporated from Statistics Canada's (STC) May 6<sup>th</sup> report on Carry-out Stocks of Principal Field Crops as of March 31<sup>st</sup>, 2015 which shows that the total carry-out stocks are expected to decrease to 11.6 million tons (Mt), marginally lower than the April estimate.

For 2015-16, information on seeded area has been incorporated from the STC April 23<sup>rd</sup> report on March intentions of Principal Field Corps Areas for 2015. AAFC's outlook assumes normal abandonment of seeded and trend yields. For Pulses and Special Crops in Canada, production is forecast to increase but exports are expected to be marginally lower. Carry-out stocks are forecast to increase to 0.49 Mt versus the 10-year average of about 0.90 Mt.

#### Individual pulse crop outlook:

##### DRY PEAS:

For 2014-15, Canada's exports are expected to rise to 2.95 Mt exceeding the 2013-14 level. Increased exports to India and Bangladesh have been partly offset by lower exports to China. Canadian exports to the US for the year-to-date (August-March) are similar for the same period last year despite a record US dry

pea crop. Carry-out stocks in Canada are expected to fall sharply to 0.1 Mt, the lowest since 1993-94. The average price is expected to be similar to 2013-14, as higher average yellow pea prices have been offset by lower green pea prices. When compared to last year. Green dry peas prices are expected to maintain a crop year premium of \$ 40/t over yellow dry peas, similar to the historical average, but below the record \$160/t premium green peas had over yellow peas in 2013-14. During the month of April, Saskatchewan green pea farmgate prices were fell marginally while yellow pea farmgate prices rose marginally. As a result, yellow and green pea prices are about the same price, for the first time since October 2011.

For 2015-16, seeded area in Canada is intended to increase to 1.55 Mha, up marginally from 2014-15 because of higher returns relative to other crops and continued recognition of the benefits of dry peas part of crop rotation plan. By province, Saskatchewan is expected to account for 61% of the dry pea area, Alberta 37%, with the remainder seeded in Manitoba and British Columbia. Production is expected to rise by 7% to a near record 3.1 Mt as a return to average yields is expected to combine with the intended rise in area. However, supply is forecast to increase marginally to only 3.8 Mt due to lower carry-in stocks. Exports are forecast to be lower at 2.9 Mt. Carry-out stocks are also forecast to increase sharply. The average price is expected to decrease from 2014-15 due to expectations for larger stocks in Canada.



**LENTILS:**

For 2014-15 exports are forecast to rise marginally from 2013-14 to a record 1.8 Mt. The top three main markets continue to be the India, Turkey and the United Arab Emirates. Carry-out stocks are forecast to fall sharply to the lowest levels since 2009-10. The average price of lentils in Canada is forecast to rise from 2013-14 due tight stocks.

Red Lentil prices are forecast to have a C\$130/t premium over large Green Lentil prices for the entire crop year, the largest since 2011-12. During the month of April, Saskatchewan large Green Lentil farmgate prices rose about C\$25/t while Red Lentil farmgate prices rose about C\$ 10/t. This was largely due to steady monthly export demand and tightening domestic supply for both large Green and Red Lentil types.

For 2015-16, the area seeded to lentils in Canada is intended to rise by 7% to 1.36 Mha, due expectations for improved quality compared to 2014-15 and competitive returns. By province, Saskatchewan is expected to account for 97% of the lentil area, with the remainder seeded in Alberta. Production is forecast to rise to a near record 2.15 Mt, however supply is expected to rise only marginally due to lower carry-in stocks. Exports are expected to fall marginally to 1.75 Mt. Carry-out stocks are forecast to rise to 0.10 Mt. The average price is forecast to recover slightly from 2014-15 due to a more normal grade distribution and smaller discounts for the lower grades.

**DRY BEANS:**

For 2014-15, dry bean exports are forecast to decrease marginally despite increased supply. The US and the EU-27 are forecast to remain the main markets for Canadian dry beans with

smaller volumes exported to Japan and Angola. Larger North American supply is expected to continue to pressure US and Canadian dry bean prices for 2014-15.

For 2015-16, the area seeded in Canada is forecast to fall by 10% from 2014-15 to over 0.11 Mha because of lower returns from this year. By province, Ontario is expected to account for 46% of the dry bean area, Manitoba 27%, Alberta 25% and the remainder seeded in Quebec. Production is expected to decrease by 11% to below 0.25 Mt but, due to large carry-in stocks, supply is expected to fall only marginally. Exports are forecast to remain unchanged and stocks are expected to fall marginally. The average Canadian dry bean price is forecast to fall for the second year in a row due to higher supply in North America.

**CHICKPEAS:**

For 2014-15, Canadian chickpea exports are expected to increase to 65 kt, largely due to a rise in export demand from the Middle East and the EU-27. The EU-27 and the US continue to be the main markets for Canadian chickpeas. As a result of the rise in supply, carry-out stocks are expected to increase and remain burdensome. The average price is forecast to be relatively unchanged, due to higher Canadian supply and increased export demand from other competitors.

For 2015-16, the area seeded is intended to fall sharply from 2014-15 because of higher carry-in stocks and continuing decline in prices from the record set in 2011-12. By province, Saskatchewan is expected to account for 93% of the chickpea area, with the remainder seeded in Alberta. Production is expected to fall sharply to 115 kt. Supply is forecast to fall by only marginally from



2014-15, however, due to the near record carry-in stocks. Exports are forecast to rise marginally and carry-out stocks are expected to fall, but remain burdensome.

The average price is forecast to be similar to 2014-15, due to steady world supply and import demand from the Middle East.

**CANADA PULSES CROPS - SUPPLY AND DISPOSITION**

Grain and Crop Year [a]	Area Seeded	Area Har-vested	Yield	Produc-tion	Im-ports [b]	Total Supply	Ex-ports [b]	Total Domestic Use [c]	Carry-out Stocks	Stocks-to-use Ratio	Average Price [d]
	'-thousand ha -		t/ha	----- thousand metric tonnes -----						%	\$/t
<b>Dry Peas</b>											
2013-2014	1,345	1,329	2.98	3,961	25	4,16	2,779	1,072	309	8	260
2014-2015 f	1,536	1,457	2.36	3,445	30	3,784	2,950	734	100	3	240-270
2015-2016 f	1,550	1,500	2.47	3,700	20	3,820	2,900	720	200	6	230-260
<b>Lentils</b>											
2013-2014	1,060	1,052	2.07	2,173	9	2,479	1,755	550	164	7	445
2014-2015 f	1,263	1,217	1.63	1,987	15	2,166	1.8	316	50	2	555-585
2015-2016 f	1,356	1,330	1.62	2,150	10	2,210	1.75	360	100	5	560-590
<b>Dry Beans</b>											
2013-2014	100	100	2.32	232	73	335	304	26	5	2	995
2014-2015 f	126	122	2.28	278	80	363	300	23	40	12	810-840
2015-2016 f	114	110	2.25	247	70	357	300	22	35	11	740-770
<b>Chickpeas</b>											
2013-2014	77	76	2.33	177	9	240	48	62	130	118	500
2014-2015 f	73	70	1.87	131	8	269	65	64	140	109	485-515
2015-2016 f	61	59	1.95	115	8	263	70	63	130	98	485-515
<b>Total Pulses (c)</b>											
2013-2014	1,238	1,506	2.90	4,372	116	3,058	3,133	1,710	608		
2014-2015f	2,998	2,866	2.04	5,841	133	6,582	3,317	1,137	330		
2015-2016f	3,081	2,999	2.07	6,212	108	6,650	3,272	1,165	465		

- a. Crop year is August-July
- b. Imports and exports exclude products.
- c. Total Domestic Use = Food and Industrial Use + Feed Waste & Dockage + Seed Use + Loss in Handling. Total domestic use is calculated residually.
- d. Producer price, FOB plant, average over all types, grades and markets.



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## Estimated Acreage & Production -2015

### United States of America

*Courtesy: Ms. Shakun Dalal USA  
Dry Peas and Lentils Council*

USDA National Agricultural Statistics Service published their projected planting acreage at the beginning of this week. The results may have been a surprise to some, but for those that grow wheat and pulses, it may have simply been a confirmation of their planting decisions.

Wheat is a multi-billion dollar crop, and important to the agricultural industries of many states, but incremental weather and a decline in prices have many die-hard wheat farmers thinking of alternative crops, like pulses, especially for Montana and North Dakota that took a hit on their wheat crop in 2014.

In the March 31 Projected Planting Report, the USDA claims that U.S. farmers as a whole intend to reduce corn plantings by 2%, and wheat acreage by 3%, while increasing soybean acreage by 1%. For our industry, the decline in wheat acreage is the more impactful news, although it is worth noting that America is going to break a record as to soybean acreages if actual plantings end up matching intended plantings.

If our USA Dry Pea and Lentil Council members are indeed reducing their acreage of wheat, then what do they intend to plant instead? The USADPLC

surveyed pulse growers and processors during the past month and established our own industry planting intentions survey. Although the USADPLC did not discuss wheat, the results for pulse crop acreage are very close to the NASS statistics. NASS's acreage estimates are based on surveys conducted during the first two weeks of March from a sample of more than 84,000 farm operators across the United States.

As you can see by the tables scattered throughout this article, pulse acreage will be up overall, with the exception of chickpeas, another crop that suffered due to excess moisture in the Northern Tier. In fact, Dan Norris, the man behind tracking pulse crop stats at NASS, told the Missoulian newspaper that farmers are turning to peas and lentils because they put nitrogen back into the soil. He adds that world demand for pulse crops is up, and prices are strong when compared to crops like wheat and corn, which are in decline.

#### IDAHO:

While projected lentil planting may be up by 20%, green pea planting will be down 7-13%. Chickpea plantings will decrease considerably, down 7-15% of



the 2014 actual planting numbers. Thumbing their noses at the NASS projection of decreased wheat planting, Idaho plans on planting about 4% more.

#### **MONTANA:**

Late August rains hit parts of Montana hard in 2014, resulting in a late harvest that took its toll on the yield and value of the crop. The Missoulain emphasized a “new” trend in Montana to grow peas and lentils, interviewing USADPLC member Kim Murray to illustrate the point. Montana dry edible pea acres are expected to hit 570,000, a state record. Lentil acres are expected to hit 180,000.

“We’ve been on a pretty much straight up line for growth for several years,” Murray told the Missoulain. “I’m seeing benefits in my wheat maybe as far out as three years, benefits in healthier plants, maybe better protein, maybe better yield.”

#### **NORTH DAKOTA:**

Like Montana, North Dakota had excess moisture that delayed harvest, so wheat is taking a 7% hit for 2015. Pea planting will be up by 11-17%, while lentils are projected to increase by a WHOPPING 67-73%! Chick-peas will be up as well, but the industry and NASS differ on this one with a 7-15% gap. With projections as extreme as this, it’s

important to remember, these are just projections. As North Dakota grower and USADPLC board member Richard Mickelson put it, the reliability of these numbers “depends on our spring.” However, it’s clear that lentils are on the minds of North Dakota farmers.

#### **WASHINGTON:**

Both the industry survey and NASS projections show pea plantings to be down in Washington State, as much as 7-13%, while Lentils will show a major increase if you believe the industry survey at a 28% increase. NASS reports an increase of only 8%. Chick-peas will be down slightly according to industry numbers, while NASS reports a significant decrease of 22%.

#### **OTHER STATES:**

Oregon is expected to plant around 7,000 acres of peas and 1000 acres of chickpeas according to NASS. Industry projections are a little higher. South Dakota could increase their chickpea production by 79% according to the industry survey, while NASS projects plantings to decrease by 11%. Both NASS and the industry survey project chickpea planting to decrease in California, but the industry shows a drop of 37% to NASS’s 8%.



### **EXPORT DATA OF US PULSES**

#### **DRY PEAS:**

Peas exports for March 2015 were flat compared to Feb, and down from the levels of March 2014. Exports to India and China cooled, while exports to Canada and the PL 480 food aid program picked up the slack. For the crop year to date (SEP 2014 -MAR 2015), dry pea export volumes are at the same pace as a year ago. At the current rate, US dry pea exports for the full crop year (SEP 2014-AUG 2015) will represent about 70% of 2014 production, which is below last year’s level, and below the five year average. We will have to see how much of the balance will be carry-over stocks, and how much has found its way to domestic uses including the rapidly growing demand from pet food manufacturers and pea fractionators (protein, fiber, starch).

#### **LENTILS:**

Lentil exports continued to be strong, and in the first seven months of the crop year, our exports total 89% of our 2014 lentil production. This crop year is unusual, with 2014 lentil production off by 33% vs 2013, but lentil exports up by 56% for Sep 2014- -March 2015.

#### **CHICKPEAS:**

Chickpea exports in March were down vs one month prior and one year prior. With exports for Sep 2014-March 2015 representing only 21% of our 2014 chickpea production, and the pace of exports falling in recent months, we are on track to see our lowest chickpea export volumes since 2009-10. Overall, chickpea exports as a percentage of production have been falling for the last four years as domestic hummus production dominates demand for US chickpeas.



US MARKET NEWS	
US GROWERS INFORMATION	US DEALERS INFORMATION
May 1st, 2015	May 1st, 2015
Pacific North West: Whole Green Peas, Brewer Lentils and whole Yellow Peas were steady. Pardina Lentils were \$1.00 higher.	Pacific North West: Whole Green Peas and Yellow Split-peas were steady and Pardina Lentils, Yellow Peas and Brewers lentils were not established. Trading activity was moderate on moderate buyers demand.
Northern Plains: Whole Green Peas, Richlea Lentils and Whole Yellow peas were steady.	Northern Plains: Whole Green Peas, Yellow Peas, and Richlea Lentils were not established. Northern Tier Trading activity was slow on moderate buyer demand.
May 8th, 2015	May 8th, 2015
Pacific North West: Whole Green Peas, Brewer Lentils, Yellow Peas, Pardina Lentils were steady.	Pacific North West: Whole Green Peas and Yellow Pea-Split were steady and Pardina Lentils, Yellow Peas, Austrian Winter Pea and Brewer Lentils were not established. Trading activity was moderate on moderate buyers demand
Northern Plains: Whole Green Peas, Richlea Lentils and Whole yellow peas steady.	Northern Plains: Whole Green Peas, Yellow Peas, and Richlea lentils were not established. Trading activity was slow on moderate buyers demand.
Pacific North West: Whole Green Peas, Brewer Lentils and Pardina Lentils were \$1.00 lower and whole yellow peas were steady.	
Northern Plains: Whole Green Peas, Whole yellow peas and Richlea Lentils were steady.	
May 15th, 2015	May 15th, 2015
Pacific North West: Whole Green Peas, Brewer Lentils, Yellow Peas, Pardina Lentils were steady.	Pacific North West: Whole Green Peas and Yellow Pea-Split were steady and Pardina Lentils, Yellow Peas, Brewer Lentils were not established. Trading activity was light on light to moderate buyers demand.
Northern Plains: Whole green peas, yellow peas and Richlea lentils were steady.	Northern Plains: Whole Green Peas, Yellow Peas, and Richlea lentils were not steady. Trading activity was slow on slow to moderate buyers demand.
May 22nd, 2015	May 22nd, 2015
Pacific North West: Whole Green Peas, Brewer Lentils and Pardina Lentils were \$1.00 lower and whole yellow peas were steady.	Pacific North West: Whole Green Peas, Split Green Peas and were all steady. Brewer Lentils, Pardina Lentils, Whole Yellow Peas, Yellow Split Peas and Austrian Winter Peas were not established. Trading activity was light on light to moderate buyers demand.
Northern Plains: Whole Green Peas, Whole yellow peas and Richlea Lentils were steady.	Northern Plains: Whole Green Peas, Yellow Peas, and Richlea lentils were not established. Trading activity was slow on slow to moderate buyers demand.



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## Commodity Derivatives

### Catalyst in Promoting Financial Inclusion

*Pallavi Oak*

Fostering financial inclusion has always remained a key policy agenda for any country that aims to achieve sustainable long term growth and financial stability enabling economic empowerment at individual level. Developing country like India, alike its peers, scores lower with regard to financial penetration when compared to its counterparts in developed world.

According to recent statistics India ranks second in the world in terms of financially excluded households after China. Given that more than nine crore households (approximately 58% of rural households) in India depend on agriculture, it is important that farmers and other value chain participants in agriculture sector are provided with access to safe, easy and affordable credit and other financial services in a consistent manner to achieve an objective of 100% financial inclusion in the country.

Though banks in India are mandated to maintain an adequate credit flow to the agriculture sector and the value chain participants (VCPs), agriculture / commodity lending has not been a preferred choice for banks in India, due to lower repayment rates and higher rate of default. Business in agriculture commodities is generally

perceived as a risky venture due to moderate to high level of commodity price volatility attached to it.

While the fears of banks are not unreasonable, one of the most important factors that makes banks overcautious while extending loans to commodity based businesses is difference between perceived and actual risks. Banks' perceptions of risks are often not based on a solid understanding of actual risks or objective risk information. Only few banks have a separate formal risk management framework/policy or procedure in place for identification, reporting, measurement, monitoring and mitigation of commodity price risk.

Banks are not allowed to participate in the commodity futures market, which also limits their capacity to hedge commodity-related risks. The Banking Regulation Act of 1949 strictly prohibits banks (both domestic and foreign) from trading in goods.

Financing against (physical) warehouse receipt, a widely followed practice by banks, has its own set of risks. Major among them is doubt regarding longevity of goods, as agricultural commodities are prone to deterioration in quality, if stored over a longer period. Thus, the key factor hampering agriculture lending against



warehouse receipt is uninsured risk – i.e. lack of assurance of realizing the accurate value of collateral on liquidation.

Commodity derivatives, which provides for hedged physicals as collateral, can serve as an insurance and can be used to reduce lenders' risk exposure and facilitate easy access to credit to loan seeker.

In commodity derivatives market, physical settlement of contracts involves physical delivery of the underlying commodity, generally, at exchange-approved warehouses. The warehoused commodities can be collateralized and hence provide for inventory finance. As banks have hedged physicals as collateral, it reduces their risk exposure.

#### **Solution available on NCDEX Platform:**

NCDEX can serve as a single platform where banks can hedge their credit risks, while commodity participants simultaneously mitigate their price risks.

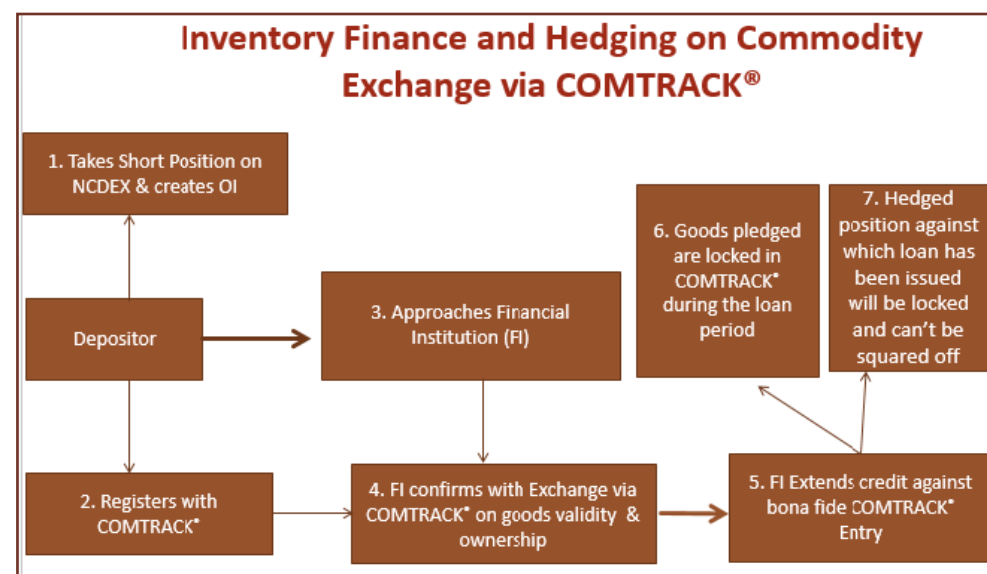
Banks can use NCDEX traded prices, which serve as industry benchmarks, for cross checking and establishing the final price for lending consideration. Moreover they can track the position of hedged goods through COMTRACK®, an in-house developed commodity accounting system of the Exchange. COMTRACK® system facilitates bank to verify ownership and validity of the

goods against bonafide COMTRACK® entry, instead a warehouse receipt.

For instance, a chana farmer/trader/processor can pledge his produce in the NCDEX approved warehouse. He can take his trade position (short position) on the exchange, while simultaneously registering himself under COMTRACK® system. As he approaches the bank to seek loan, bank can verify ownership and validity of the goods against bonafide COMTRACK® entry and decide the term loan / credit margin.

Banks can lend confidently, as the value of collateral is protected with system not only locking in goods pledged in COMTRACK® during loan period but also the hedged position against which loan has been issued, which can't be squared off during the loan period. Moreover, MTM account also gets locked with exchange, though the trader brings in pay in amount depending upon the margin requirement.

For banks, though the risk lies with them after lending against warehouse receipt or bonafide COMTRACK® entry, the system assures full repayment of bank loans, since the commodity is hedged on the Exchange, thus covering credit risk. Even if the depositor defaults, bank can sell the commodity on the Exchange and realise the value. Since the contract is entered in a pre-determined price, the risk of devaluation of the product no longer remains.



NCDEX has signed agreements with Axis Bank Ltd. and IndusInd Bank Ltd. to promote financial inclusion through an electronic pledge facility that will enable farmers and traders to use their commodities stored in an approved warehouse as financial assets.

Though as of now the collateral cannot be sold on the Exchange platform till the loan is cleared by the client, NCDEX is examining the possibility that the pledged goods can be sold on the Exchange such that banks will directly receive payment against the loan.

The Exchange is also in talks with other Private and Public sector banks so that entire stock stored in its approved warehouses across the country with other warehouse service participants are also covered. Apart from banks, L&T Finance is also active in providing pledge finance through COMTRACK®.

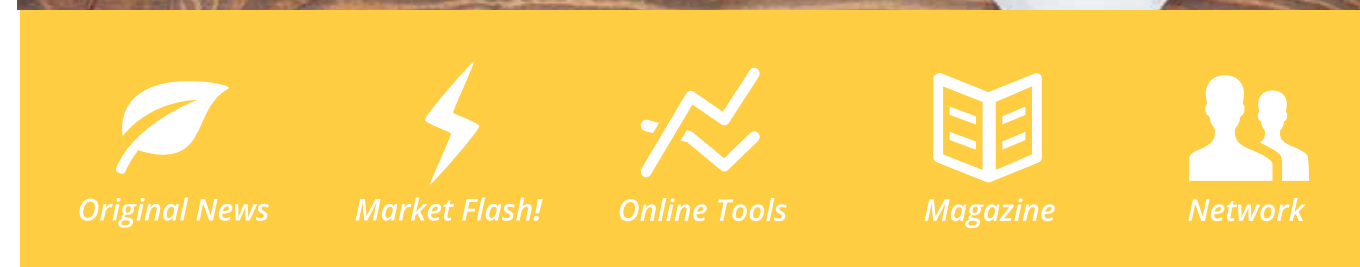
NCDEX through its spot exchange NCDEX e Markets Ltd. (NeML) has developed an e-pledge platform. Farmers can get finance through a pledged dematerialized warehouse receipt of an approved warehouse of the Exchange. During the four years period

ending FY 2014-15, loans worth Rs 289.3 crore have been disbursed benefiting 670 participants from Madhya Pradesh, Rajasthan, Gujarat, Maharashtra and Karnataka.

The system of inventory finance along with hedging on the commodity exchange thus turns out to be a win-win situation for farmer/depositor as well as for banks.

For loan seekers, those who hedge on commodity markets can be given a better credit rating and report on their balance sheet eventually may lead to higher lending and favourable terms and conditions.

For banks, system would have positive impact in terms of improved resiliency. It would also boost-up agriculture lending and help banks achieve their credit targets under priority sector lending. Additionally, there is a business opportunity for banks in reaching out to the major value chain participants in the commodity sector. It provides them with opportunity to connect with small suppliers, especially farmers. This will go a long towards financial inclusion, thereby empowering and enabling people to participate more effectively in the economy.



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## 52nd CICILS/GPC ANNUAL GLOBAL PULSE CONVENTION AN OVERVIEW

**Gavin Gibson**  
*Exec. Director, Global Pulse Confederation*

A record total of 980 of the key players from all sectors of the international pulse industry and its supporting companies and institutions attended the CICILS/GPC 52<sup>nd</sup> annual convention held in Las Vegas in April this year.

Overwhelmingly rated the “best ever” by almost 200 respondents to the post convention survey, this year’s event provided participants with the most erudite and in depth analysis of world market supply and demand for each pulse type that has ever been presented at an international pulse convention.



Fantastic sponsorship for the event allowed for some new and important improvements to this year’s program. CICILS/GPC was able to invite several of the world’s most influential and knowledgeable independent industry analysts who accepted keynote speaking roles as moderators of the crop and market forecast panel sessions – including globally recognised

consulting analysts, **MINTEL** who had, over the previous three months undertaken the most extensive and detailed analytical study of all global pulse origins, destinations and market trends ever conducted.

While the panels themselves included many well known and respected industry players, any potential vested interest that might have been represented by their personal viewpoint was well tested by the moderators and also provided fantastic opportunity for two way question and answer sessions involving the whole audience. All panel sessions and other presentations are available on the global pulse website at [www.cicilsiptic.org](http://www.cicilsiptic.org) for viewing by members of CICILS/GPC.

Much of the balance of the program centred around planning for the **International Year of Pulses 2016 (IYOP)** which is now getting into top gear! In another “first” for the global pulse industry CICILS/GPC was able to bring some of the world’s key researchers into new and innovative pulse products that are currently under development together with the world’s leading experts in new market development to expand on our planning for major activities to take place during the international year.

In a series of broad based presentations both in the main plenary and in other contiguous break-out sessions these experts outlined the



exciting new developments that CICILS/GPC has been working on for the last twelve months, in the first ever globally coordinated campaign to increase production, consumption and trade in the healthiest foods on the planet. This included a keynote session by celebrated international agency **Leo Burnett World-Wide**, detailing the new global branding project for pulses and pulse foods that they have been developing with joint IYOP 2016 funding from Global Pulse Confederation (CICILS/GPC), Pulse Canada, The American Pulse Association and the US Dry Pea and Lentil Council.

In this regard it was noted that over US\$4 million has already been committed by CICILS/GPC members towards specific projects planned for the International Year of Pulses

2016, with indications of considerable further funding to be announced over coming months.

Another highlight was the election of a new President, Mr Huseyin Arslan, and a new Executive Vice President, Mr Pravin Dongre. These elections were formally confirmed during the global Pulse Industry General Assembly held on the last day of the convention. Outgoing President Hakan Bahceci congratulated Mr Arslan and Mr Dongre on their appointments and noted that both have been very active in the development and expansion of the global pulse sector and have contributed greatly to the industry common good through their very considerable voluntary contribution on the CICILS/GPC Executive committee over many years.



OUTGOING PRESIDENT HAKAN BAHCECI (RIGHT)  
CONGRATULATES INCOMING PRESIDENT HUSEYIN ARSLAN



## ***Pulse Markets Enter Harvest on Strong Note***

*Brian Clancey, STAT Publishing*

Pulse markets were barraged by numerous reports in April and May. Seeding intentions for Canada and the United States raised prospects for larger pea and lentil crops, while Canada's stocks in all positions report painted a bullish supply picture through this year's harvest. The arrival of an El Nino event has reinforced the idea that Australia's pulse harvest can only go down; while India's third advance estimate for 2014-15 make it clear demand will be strong through November.

This combination of factors has provided a strong foundation for spot and new crop export markets for most pulses. Australian desi chickpeas pushed well past their previous record highs in May. Solid export demand combined with a toughening attitude among growers who are worried about the impact El Nino will have on yields in that country. Many farmers are responding by waiting for this year's harvest before selling new crop desi chickpeas, red lentils and dun peas. That attitude can also make growers reluctant to sell remaining inventories until they know they have enough product to sell to meet cash flow needs later in the year.

Growers in Canada and the United States are more optimistic about crop prospects. Seeding pushed forward at a record pace in May across western Canada. Over half of Canada's peas and lentils were in the ground

by the middle of May, suggesting the harvest will start the first week of August. If conditions are dry leading into and during harvest, exporters are confident they will meet August sales commitments and be in a good position to move product in September.

An early start to the harvest is more critical than normal because the 2014-15 marketing year will end with only a two week supply of peas and a 10-day supply of lentils in Canada. As a result, markets will be sensitive to the evolving weather picture in western Canada and parts of the United States. Some market participants are convinced there is a high risk of drought, while others fear an early frost.

This year's El Nino event is expected to bring warmer and drier than normal conditions to much of western Canada, but more timely rains to parts of the U.S. growing region. As of the middle of May, topsoil moisture reserves in Saskatchewan were rated as 10% surplus, 76% adequate and 14% short.

The implication is that if there is enough moisture for pulses to germinate, they will tap down into the soil's moisture reserves, offsetting some of the negative effects of a drier growing season. Warmer and drier growing seasons are associated with an early harvest. Similar seeding progress was seen in the year 2000 and 2001. In those two



years, half the field pea crop was in the bin by the end of the first week in August.

Most people believe there is a strong link between full moons and frost events. There will be a full moon on July 31 and another August 29. "People have always associated the full moon with an increased chance of frost," notes the Cornell University Extension Division. "In reviewing weather records of four locations in the (U.S.) Northeast for the last 100 years, a full moon did not increase the chance of a frost. It was just as likely to occur when no moon was present as when the moon was full!"

However, there is a strong relationship between weather conditions and the likelihood of a frost. "Cool, clear nights with low humidity, often following a cold front, are signs of an impending frost," the Cornell University Extension Division notes. The other fact to be aware of is the average date by which a frost event occurs. Half the reported frost events occur before that date

and half after. Long term weather data for Saskatchewan reveals that there is a 50% risk of frost by mid-September around Moose Jaw, Saskatoon and Weyburn; and a 50% chance of frost by September 4 in Prince Albert and by September 10 in the Regina area.

Having weather markets start at a time when much of the fundamental data entering markets is bullish makes it harder for prices to relax. Buyers who have hesitated may also find their demand has more impact than normal on price. Exporters already have to move vast quantities of lentils and peas in the weeks following harvest, which makes it harder to fit new demand into a system which often faces capacity constraints. This combination would be expected to keep markets firm until at least December, at which point exporters, growers and buyers will start assessing their needs for the first half of 2015. If prices are to relax, it might take until the new year for that to happen.



Agricultural Statistics Division  
Directorate of Economics & Statistics  
Department of Agriculture & Cooperation  
Third Advance Estimates of Production of Foodgrains for 2014-15

As on 13.05.2015

Crop	Season	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14		2014-15	
												3rd Advance Estimates	Final Estimates	Targets	3rd Advance Estimates
Rice	Khharif	78.62	72.23	78.27	80.17	82.66	84.91	75.92	80.65	92.78	92.37	92.01	91.50	92.00	89.62
	Rabi	9.91	10.90	13.52	13.18	14.03	14.27	13.18	15.33	12.52	12.87	14.28	15.15	14.00	12.91
	Total	88.53	83.13	91.79	93.36	96.69	99.18	89.09	95.98	105.30	105.24	106.29	106.65	106.00	102.54
Wheat	Khharif	72.16	68.64	69.35	75.81	78.57	80.68	80.80	86.87	94.88	93.51	95.85	95.85	94.00	90.78
	Rabi	4.84	4.04	4.07	3.71	4.11	3.05	2.76	3.44	3.29	2.84	2.23	2.39	3.00	1.93
Jowar	Khharif	1.84	3.20	3.56	3.44	3.81	4.19	3.93	3.56	2.69	2.44	3.02	3.15	2.50	2.85
	Total	6.68	7.24	7.63	7.15	7.93	7.25	6.70	7.00	5.98	5.28	5.25	5.54	5.50	4.79
Bajra	Khharif	12.11	7.93	7.68	8.42	9.97	8.89	6.51	10.37	10.28	8.74	9.19	9.25	9.00	9.00
	Khharif	12.73	11.48	12.16	11.56	15.11	14.12	12.29	16.64	16.49	16.19	17.51	17.14	17.00	16.26
Maize	Rabi	2.25	2.70	2.55	3.54	3.85	5.61	4.43	5.09	5.27	6.06	6.69	7.11	6.00	6.48
	Total	14.98	14.17	14.71	15.10	18.96	19.73	16.72	21.73	21.76	22.26	24.19	24.26	23.00	22.74
Ragi	Khharif	1.97	2.43	2.35	1.44	2.15	2.04	1.89	2.19	1.93	1.57	1.88	1.98	1.75	1.90
	Khharif	0.56	0.48	0.47	0.48	0.55	0.44	0.38	0.44	0.45	0.44	0.45	0.43	0.50	0.37
Small Millets	Rabi	1.30	1.21	1.22	1.33	1.20	1.69	1.35	1.66	1.62	1.75	1.73	1.83	1.75	1.63
	Khharif	32.22	26.36	26.74	25.61	31.89	28.54	23.83	33.08	32.44	29.79	31.24	31.20	31.25	28.46
Coarse Cereals	Rabi	5.39	7.10	7.33	8.31	8.86	11.49	9.72	10.32	9.58	10.25	11.43	12.09	10.25	10.96
	Total	37.60	33.46	34.07	33.92	40.75	40.04	33.55	43.40	42.01	40.04	42.68	43.29	41.50	40.42
Cereals	Khharif	110.84	98.59	105.01	105.78	114.55	113.45	99.75	113.73	125.22	122.16	123.25	122.70	123.25	119.09
	Rabi	87.45	86.64	90.21	97.30	101.46	106.45	103.70	112.52	116.98	116.63	121.56	123.09	118.25	114.65
Tur	Total	198.28	185.23	195.22	203.08	216.01	219.90	203.45	226.25	242.20	238.79	244.81	245.79	241.50	233.74
	Khharif	2.36	2.35	2.74	2.31	3.08	2.27	2.46	2.86	2.65	3.02	3.38	3.17	3.72	2.71
Gram	Rabi	5.72	5.47	5.60	6.33	5.75	7.06	7.48	8.22	7.70	8.83	9.93	9.53	9.30	7.59
	Khharif	1.20	0.95	0.90	0.94	1.12	0.84	0.81	1.40	1.23	1.43	1.09	1.15	1.20	1.20
Urad	Rabi	0.27	0.38	0.35	0.50	0.34	0.33	0.42	0.36	0.53	0.47	0.41	0.55	0.41	0.50
	Total	1.47	1.33	1.25	1.44	1.46	1.17	1.24	1.76	1.77	1.90	1.98	1.70	1.61	1.70
Moong	Khharif	1.43	0.81	0.69	0.84	1.25	0.78	0.44	1.53	1.24	0.79	0.98	0.96	1.08	0.89
	Rabi	0.28	0.25	0.26	0.28	0.27	0.26	0.25	0.27	0.40	0.40	0.42	0.65	0.42	0.50
Other Khharif Pulses	Total	1.70	1.06	0.95	1.12	1.52	1.03	0.69	1.80	1.63	1.19	1.40	1.61	1.50	1.39
	Khharif	1.18	0.61	0.54	0.70	0.96	0.80	0.49	1.33	0.93	0.62	0.67	0.71	1.00	0.72
Other Rabi Pulses	Rabi	2.48	2.32	2.31	2.29	2.00	2.23	2.31	2.27	2.40	2.73	2.69	2.53	2.37	3.27
	Khharif	6.16	4.72	4.86	4.80	6.40	4.69	4.20	7.12	6.06	5.91	6.12	5.99	7.00	5.52
Total Pulses	Rabi	8.74	8.41	8.52	9.40	8.36	9.88	10.46	11.12	11.03	12.43	13.45	13.25	12.50	11.87
	Total	14.91	13.13	13.38	14.20	14.76	14.57	14.66	18.24	17.09	18.34	19.57	19.25	19.50	17.38
Total Foodgrains	Khharif	117.00	103.31	109.87	110.58	120.96	118.14	103.95	120.85	131.27	128.07	129.37	128.69	130.25	124.60
	Rabi	96.19	95.05	98.73	106.71	109.82	116.33	114.15	123.64	128.01	129.06	135.01	136.35	130.75	126.52
Total	Total	213.19	198.36	208.60	217.28	230.78	234.47	218.11	244.49	259.29	257.13	264.38	265.04	261.00	251.12

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