

## WHEAT DAILY

17<sup>th</sup> MAY, 2006

### SPOT MARKETS:

Wheat market remained volatile today in domestic spot market. The prices remained steady in Delhi and Rajasthan mandis on higher arrival, which was, offset the strong demand. Wheat dara mill quality traded steady at Rs.870-875/qrtl with average arrival of 12000-15000 bags at the Lawrence road. According to the marketmen, the higher arrival of around 1-lakh bags of wheat today as compared to last day in Delhi kept the market stable. But the sentiment witnessed weak in Maharashtra, Gujarat and Punjab where the prices decreased by Rs.15-25/qrtl on higher arrival and weak buying pressure. The sentiment remained hot and prices increased by Rs.10-25/qrtl in Haryana, M.P., and U.P. mandis on strong buying support from the private buyers coupled with reducing arrival.

### FUTURES MARKETS:

NCDEX Wheat futures slipped further following speculative selling and weakness in outside markets. Wheat futures opened firm and went to high but selling pressure pushed down the prices mostly low but it recovered early losses. The June contract finished down by Rs.8.20 to Rs.927.20 following firm opening and traded in between Rs.906-944.

### PRICE DRIVERS:

#### Bullish:

1. Australian wheat import likely to delay as quality concern
2. Haryana received 29.60 LMT wheat so far
3. Creating stocks by the private buyers

#### Bearish:

4. India considering 20 LMT of imports by direct users
5. Ports designated for 30 lakh Mt of import deliveries

### WEATHER:

There is no impact of weather as the harvest has completed at most of the states. Heavy rainfall in North India is likely to hamper on arrival.

### TECHNICALS:

Some of the indicators like RSI, MA, Stochastic are hinting to bearish where as Candlesticks hinting to upward ness. Volume increased but open interest witnessed steady. It is anticipated that wheat futures to remain bullish following steady to strong opening in the coming days.



### SUPPORT / RESISTANCES:

Month	S1	S2	PCP	R1	R2
June	921.0	913.8	927.2	944.8	952.4
July	956.1	947.9	963.0	985.3	994.3

### TRADE RECOMMENDATION:

**Buy** near 921, **Target** towards 935 next 942, and put **Stop Loss** at 914.

### SPOT MARKET PRICE FOR WHEAT (Rs./Quintal)

Markets	Variety	15.05.06	16.05.06	Change
Delhi (Lawrence Road)	Wheat Mill quality	870-875	870-875	-
Haryana (Karnal)	Wheat Mill quality	855-860	875-880	+20.00
Punjab (Khanna)	Wheat Mill quality	845-850	830-835	-15.00
Gujarat (Ahmedabad)	Wheat Mill quality	965-970	957-962	-8.00
Rajasthan (Kota)	Wheat Mill quality	985-990	985-990	-
Uttar Pradesh (Kanpur)	Wheat Mill quality	885-890	907-912	+22.00
Madhya Pradesh (Indore)	Wheat Mill quality	990-1000	995-1005	+5.00

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