

## WHEAT DAILY

28<sup>th</sup> SEPTEMBER, 2006

### SPOT MARKETS:

Wheat remains steady at the higher price levels in the wholesale grain market in Delhi owing to the festive demand amidst slightly higher arrival. Wheat data quoted at Rs.1005-1010/qlt with average arrival of 8000-10000 bags at the Lawrence road market in Delhi. In most of the other markets, wheat was offered at steady to lower price as against Tuesday on lack of buying support. Traders attributed the festive demand as the sole reason for the firmness in wheat prices in Delhi despite higher arrivals. The Govt wheat stocks stands at 6.7 million tons as of 1<sup>st</sup> September, as against 11.6 million tons during the same period of last year. CBOT wheat futures surged up on Tuesday amidst concerns of tight global supplies.

### FUTURES MARKETS:

At the futures market the wheat futures witnessed slight upward trade following a mixed opening initially. However, profit taking capped further advances and the futures shed the early gains during mid-session. Late buying interest supported the futures and the near-month contract finished with gains. However, the most-active December contract settled in the negative territory in late action. The October contract traded in the range of Rs.972.40-979.80 and November contract moved in the range of Rs. 993.40-1000.80 during Wednesday's trade.

### PRICE DRIVERS:

#### Bullish:

1. Higher demand at the spot markets due to festival season
2. Moderate demand from flourmills

#### Bearish:

1. Uncertainty over imposition of stock limits in Delhi/Rajasthan
2. Over 15 lakh tonne imported wheat touched Indian ports till now

### WEATHER:

The present weather conditions are unlikely to adversely affect the regular arrival in the markets.

### TECHNICALS:

Candlesticks formation is hinting firm opening and initial uptrend. The %K-line after making a bullish crossover with the %D-line, moving upwards in the normal region, hinting further uptrend. Prices closed above 9-day and 18-day EMA, hinting firm prices. MACD has just entered the positive territory. Open interest as well as volume of trade has declined as against Tuesday. Wheat prices at the physical as well as futures market are likely to remain range bound with a firm sentiment following a higher opening.



### SUPPORT / RESISTANCES:

Month	S1	S2	PCP	R1	R2
Dec.	999	990	1011.8	1020	1028

### TRADE RECOMMENDATION:

Intraday traders might take position to **Buy** NCDEX-December at 1005-1010 with target towards 1015, second target near 1020. Put stop loss at 995.

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

Markets	Variety	27.09.06	26.09.06	Change
Delhi (Lawrence Road)	Wheat Mill quality	1005-1010	1005-1010	-
Haryana (Karnal)	Wheat Mill quality	965-970	965-970	-
Punjab (Khanna)	Wheat Mill quality	985-990	990-995	-5.00
Gujarat (Ahmedabad)	Wheat Mill quality	1090-1095	1090-1095	-
Rajasthan (Kota)	Wheat Mill quality	1025-1030	1030-1035	-5.00
Uttar Pradesh (Kanpur)	Wheat Mill quality	1025-1030	1020-1025	+5.00
Madhya Pradesh (Indore)	Wheat Mill quality	1015-1025	1030-1035	-10.00
Uttar Pradesh (Bareilly)	Wheat Mill quality	980-985	985-990	-5.00

## 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.