

## WHEAT DAILY

13<sup>th</sup> JANUARY, 2007

### SPOT MARKETS:

Wheat prices remained steady at Delhi mandi, Wheat dara for mills quoted at Rs.1090/qttl. Arrivals are reportedly 3000 bags and mostly coming from UP and Haryana. In Punjab mandis the wheat prices quoted at Rs.1080 with the arrivals of 10,000-12,000 bags. Stockists have been actively selling wheat in the open markets. The local chakki mills are mainly purchasing the wheat from open markets. No rake demand is reported from the mandis. High wheat prices leads to lower offtake of wheat products across the country. Steady arrivals of imported wheat in South India and Maharashtra resulted into lower demand from North India. The peak arrival from Gujarat is expected to hit the market yards in January last. While the Agriculture Ministry is hopeful for a crop of around 74 million tonnes, the trade is putting it at 72.8 million tonnes. The domestic consumption of wheat is about 73 Mln Tonnes in our country. Millers demand is expected to rise in coming days as they are having lower stocks do far.

### FUTURES MARKETS:

Wheat futures at the NCDEX traded higher with higher volumes and open interest. January contract opened firm at Rs.1073 as against the previous closing of Rs.1066.60. Some selling pressure at lower levels down the contract by 0.81% at Rs 1058 and hovered in the range of Rs.1056-1074. The most active February contract is settled up by 0.80% at Rs. 1028.40 following a firm opening at Rs.1021 and hovered between Rs.1016-1037 during Friday's trade.

### PRICE DRIVERS:

#### Bullish:

1. Depleting stocks
2. Agriculture Ministry is hopeful for a crop of around 74 Mln Tonnes; the trade is putting it at 72.8 Mln Tonnes.

#### Bearish:

1. Steady demand from roller flourmills
2. Higher acreage about 275.529 Lh as on 5th Jan, 2007 against same period of last year's 257.876 Lh

### WEATHER:

Present weather is conducive for crop growth.

### TECHNICALS:

Candlesticks showing firm tone. However trade couldn't sustain at higher price levels. Prices closed above 9-day and 18-day EMA. Stochastic are in normal region and moving downward,. MACD is in positive territory and moving upwards. Volume as well as Open Interest has increased. Wheat is likely to trade bearish following a firm opening.

### NCDEX Wheat February Contract



### SUPPORT / RESISTANCES:

Month	S2	S1	PCP	R1	R2
Feb.	1007	1015	1028.4	1039	1046

### TRADE RECOMMENDATION:

Intraday traders might take position to **SELL** NCDEX-FEBRUARY below 1033 with target towards 1023, second target near 1018. Put stop loss above 1039.

**Do not carry forward the position until the next day.**

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

Markets	Variety	12.01.07	11.01.07	Change
Delhi (Lawrence Road)	Wheat Mill quality	1090	1090	-
Haryana (Karnal)	Wheat Mill quality	1040-1045	1040-1045	-
Punjab (Khanna)	Wheat Mill quality	1080-1085	1075-1080	+5
Gujarat (Ahmedabad)	Wheat Mill quality	1185-1192	1175-1181	+11
Rajasthan (Kota)	Wheat Mill quality	1090-1095	1085-1090	+5
Uttar Pradesh (Kanpur)	Wheat Mill quality	1115-1120	1120-1125	-5
Madhya Pradesh (Indore)	Wheat Mill quality	1135-1140	1135-1140	-
Uttar Pradesh (Bareilly)	Wheat Mill quality	1095-1100	1100-1105	-5

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