

WHEAT DAILY

24th APRIL, 2007

SPOT MARKETS:

Punjab & Haryana Contribute for Procurement - Private Trade Active in Other Centres

Wheat procurement by India's federal govt directly from farmers stood down at 4.5 Mln Metric Tonnes so far as on 20.04.07 compared to 6.7 Mln Tonnes during corresponding period of last year. It is declined by 32.8%. Arrivals so far this year are about at 5.95 million tons compared with around 8.29 million tons year earlier. The arrivals have reportedly fallen in both Punjab and Haryana. In Khanna and Jagraon mandis, wheat arrival so far has been lower as against last year. Govt. of India is expected to import around 3 Mln Tonnes of wheat in case the procurement in central pool fails to reach its target around 15 Mln Tonnes this year. The Food Corporation of India (FCI) had procured a lower amount of 4.58 Mln Tonnes of wheat so far as on 19th April, against 6.78 million tonnes in the corresponding period last year. A draft note on wheat imports is reportedly prepared by the empowered committee on wheat and submitted for discussion at a meeting of the empowered group of ministers (e-GoM) on April 18. The e-GoM has also suggested that the government allocate Rs 40 crore for call options of wheat in the international market, so that its agencies can procure the commodity at competitive prices

Total arrivals in Delhi markets remained around 12000 qtls and prices at Lawrence Road were quoted up at Rs.950-960 per quintal (mill quality). 1 rake of wheat reportedly loaded for the destination of Assam. Arrivals at Narela and Najafgarh were placed 10000 qtls and 8000 qtls with prices Rs. 910-920 per quintal and Rs. 910-925 per qtls respectively. Arrivals in Achnera were 3000 qtls with price ranging from Rs. 890- 895 While in Karavali the arrivals were 5000qtls with price Rs. 920. ITC and Godrej were active in these markets.

Following was the status in other mandis, with active millers and private trade buying:

Mathura	5000 Qtls	Rs. 902per qtl
Kosi	50000 Qtls	Rs. 880 per qtl
Hodal	1500 Qtls	Rs. 870 per qtl
Palwal	4000 Qtls	Rs. 880 per qtl
Hardoi	-	-
Rajkot	6000	Rs. 875 per qtl

PRICE DRIVERS:

Bullish:

1. Government decided to give a bonus of Rs.100/qrtl on MSP to induce farmers to sell to them taking the MSP together with bonus to Rs.850 per quintal.
2. Private trade actively purchasing wheat from Gujarat, Rajasthan and Madhya Pradesh mandis

Bearish:

1. Fresh arrivals increasing with each passing day.
2. Increasing possibility of government meeting procurement targets.
3. Arrivals in Uttar Pradesh mandis are expected to set the trend for softening prices, as the state is poised for huge production.

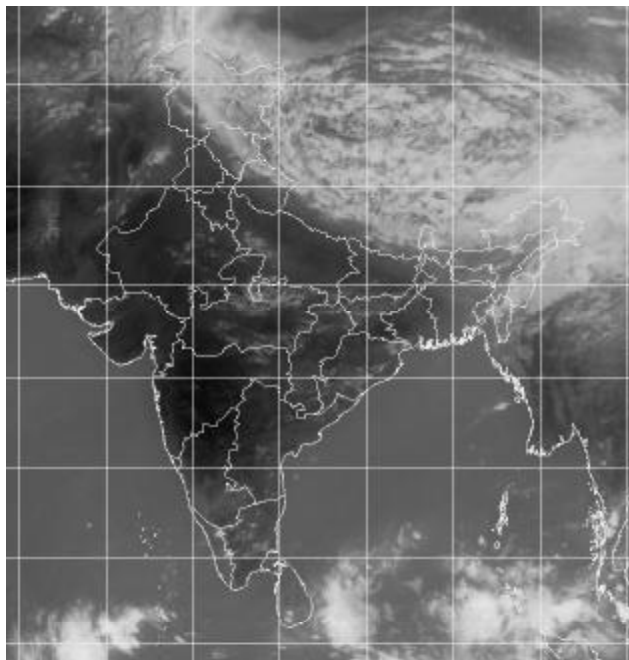
WEATHER:

Standing wheat crop needs bright sunshine during maturity for lower moisture levels. Current weather is supportive for

SPOT MARKET PRICE FOR WHEAT (Rs./Quintal)

Markets	Variety	23.04.07	21.04.07	Change
Delhi (Lawrence Road)	Wheat Mill quality	950-960	950-955	+5
Delhi (Narela)	Wheat Mill quality	910-920	905-915	+5
Haryana (Palwal)	Wheat Mill quality	870	870-875	-5
Rajasthan (Kota)	Wheat Mill quality	975-980	985-988	-8
Uttar Pradesh (Kanpur)	Wheat Mill quality	950-955	950-955	-
Madhya Pradesh (Indore)	Wheat Mill quality	940-945	940-945	-
Uttar Pradesh (Bareilly)	Wheat Mill quality	920-925	950-955	-30

SATELLITE PICTURE OF MONSOON PROGRESS (23.04.07)



Monsoon Features (23.04.07)

- ✓ Widespread rainfall with isolated heavy falls occurred over northeastern States during past 24 hrs. Chief amount of rainfall (upto 2 cm.) :Passighat-7, Guwahati-5, Agartala-5, Kailashahar-5, Chitradurga-3, North Lakhimpur-3, Silchar-2, Dibrugarh-4, Imphal-2.
- ✓ The numerical weather prediction models suggest persistence of a north-south oriented trough extending from Sub-Himalayan West Bengal & Sikkim to north Bay of Bengal for the next 4-5 days. Under its influence , fairly widespread rainfall with isolated heavy falls are likely to continue over the northeastern States during the same period.
- ✓ Heat wave conditions prevailed over some parts of north Rajasthan and adjoining Punjab where the day temperatures are 5°C above normal. The day temperatures are 2-3°C above normal over remaining parts of northwest India, Rajasthan, Uttar Pradesh and West Madhya Pradesh. The current meteorological analysis suggests similar temperature scenario over these regions during next 2-3 days.
- ✓ The highest maximum temperature of 43.4°C was recorded at Hissar in Haryana during past 24 hrs.

Outlook for subsequent two days (Based on numerical weather products):

- ✓ Fairly widespread rain/thundershowers with isolated heavy to very heavy falls are likely over northeastern States.
- ✓ Rise in day temperature over northwest and central India.

Source: IMD (GOI)

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