

WHEAT DAILY

30th APRIL, 2007

SPOT MARKETS:

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

The Govt. agencies have procured around 73.75 Lakh Tonnes of wheat so far as on 27th April this year. The Govt. agencies reportedly purchased around 90% of total wheat arrivals in the mandis of Punjab and Haryana. However, the arrivals are seen lower as against of last year. A higher wheat crop of 73.7 Mln Tonnes has been estimated this year and harvesting of wheat in Punjab and Haryana is in peak. Wheat arrivals in the mandis of Punjab, Haryana and Uttar Pradesh remains down this year on account of the late maturing of the crop. It is also learnt that good number of large farmers in the states, with sufficient holding capacity, are stocking their produce in order to get handsome money in the coming future. They are optimistic that the prices of wheat go up in the next 3-4 months. IGC projected higher global wheat production by 32 Mln Tonnes to 623 Mln Tonnes in the year of 2007-08 About 3500 Tonnes of Pakistani wheat reached in Tuticorin and Mumbai port and are waiting for clearance. The container will be unloading after testing the phytosanitary and health clearance measures. Roller flourmills in south India have placed orders to import about 70,000 Tonnes of wheat from Pakistan at \$224-\$235 per tonnes including the cost and freight.

Total arrivals in Delhi markets stood down around 10,000 qtls and prices at Lawrence Road were quoted at Rs.940-945 per quintal ready delivery (truck loaded). Narela and Najafgarh markets experienced the arrivals of 12000 qtls and 5000 qtls with the prices of Rs.918 and Rs.890-910 respectively on loose basis while Karavali experienced 5000 qtls of arrival with the price of Rs.875-880. In Achnera, the arrivals were 3000 qtls with price Rs. 870-875. ITC and Godrej were active in these markets. Glencore, for instance, is buying largely from Gujarat, while Cargill and Ruchi are sourcing from the Bundi-Kota belt of Rajasthan. AWB is similarly focussed on Gujarat and MP.

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

Mathura	-5000 Qtls	Rs. 925per qtl
Kosi	5000Qtls	Rs. 865 per qtl
Hodal	1500 Qtls	Rs. 855-860 per qtl
Palwal	1800 Qtls	Rs. 875-880per qtl
Hardoi	-	-
Rajkot	5000 Qtls	Rs. 870-875 per qtl

PRICE DRIVERS:

Bullish:

1. Government decided to give a bonus of Rs.100/qttl 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

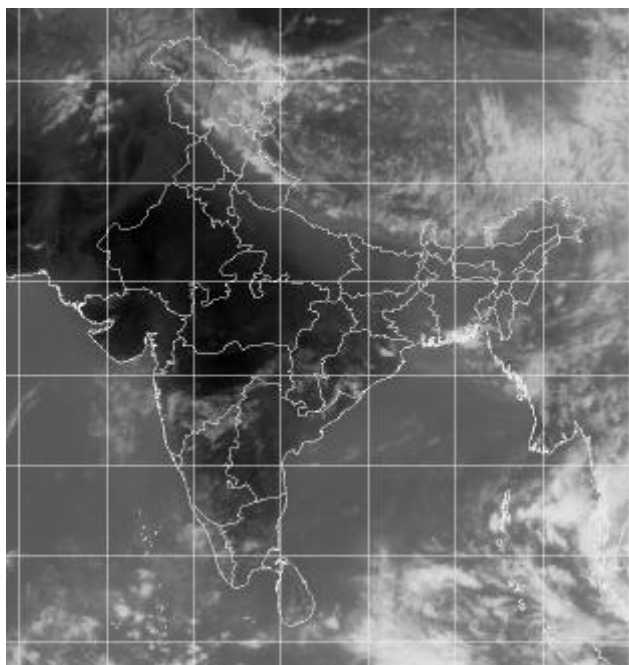
Bearish:

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.

SPOT MARKET PRICE FOR WHEAT (Rs./Quintal)

Markets	Variety	28.04.07	27.04.07	Change
Delhi (Lawrence Road)	Wheat Mill quality	940-945	940	+5
Delhi (Narela)	Wheat Mill quality	918	911-921	-4
Haryana (Palwal)	Wheat Mill quality	875-880	875-880	-
Rajasthan (Kota)	Wheat Mill quality	976-982	965-970	+12
Uttar Pradesh (Kanpur)	Wheat Mill quality	950-955	945-950	+5
Madhya Pradesh (Indore)	Wheat Mill quality	925-931	923-928	+3
Uttar Pradesh (Bareilly)	Wheat Mill quality	937-942	942-947	-5

SATELLITE PICTURE OF MONSOON PROGRESS (28.04.07)



Monsoon Features (28.04.07)

- ✓ The northeastern States experienced an extended wet spell during the last one week. However, current meteorological analysis suggests that the rainfall activity is likely to decrease considerably from tomorrow onwards particularly over Arunachal Pradesh, Assam, Nagaland and Manipur. Heat wave conditions have developed over isolated pockets of north Rajasthan and Punjab. Day temperature are likely to increase further over northwest & central India and Rajasthan during next 2-3 days. Consequently heat wave conditions are likely to develop over more parts of these regions including Delhi. The highest maximum temperature of 44.4°C was recorded at Akola in Maharashtra during past 24 hrs.

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

- ✓ Isolated to scattered rainfall activity is likely over northeast India.

Source: IMD (GOI)

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