

WHEAT DAILY

26th APRIL, 2007

SPOT MARKETS:

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

FCI along with other state agencies have procured lower amount of wheat around 58.78 lakh tonnes so far as on 22nd April, 2007 as against 71.80 lakh tonnes during corresponding period of last year. Arrivals are also reportedly at lower side around 74.58 lakh tonnes against 88.72 lakh tonnes during the same period of last year. Lower arrivals are reported from Punjab and Haryana, the wheat bowl of India. However, traders are optimistic about good arrivals within short future. About 20.07 lakh Metric Tonnes of wheat has been purchased by six government agencies from Haryana so far at MSP of Rs. 850/qlt including bonus of Rs.100. HAFED had procured 7.56 lakh MTs of wheat, Food and Supplies Department procured 4.87 lakh MTs, Food Corporation of India 2.32 lakh MTs, Agro Industries Corporation 1.96 lakh MTs, Haryana Warehousing Corporation 1.81 lakh MTs of wheat and Confed 1.52 lakh MTs. The market saw around 22.21 lakh MTs of wheat arrivals this Rabi season so far. Traders purchased around 2.14 lakh MTs at the minimum support price.

Total arrivals in Delhi markets stood up around 20000 qtls and prices at Lawrence Road were quoted at Rs.950-957 per quintal (mill quality). Narela and Najafgarh markets were closed today. Arrivals in Achnera were 3000 qtls with price ranging from Rs. 880-890 while in Karavali the arrivals were 4500 qtls with price Rs. 900-905. 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. 890-905 per qtl
Kosi	4000 Qtls	Rs. 855-870 per qtl
Hodal	1500 Qtls	Rs. 851-860 per qtl
Palwal	2000 Qtls	Rs. 875-880 per qtl
Hardoi		
Rajkot	5000 Qtls	Rs. 870-875 per qtl

PRICE DRIVERS:

Bullish:

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

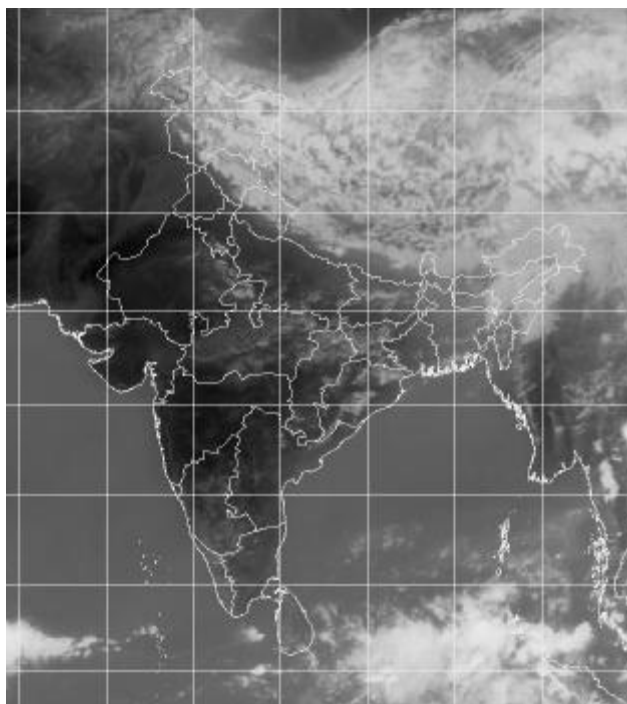
WEATHER:

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

SPOT MARKET PRICE FOR WHEAT (Rs./Quintal)

Markets	Variety	25.04.07	24.04.07	Change
Delhi (Lawrence Road)	Wheat Mill quality	950-957	955-960	-3
Delhi (Narela)	Wheat Mill quality	Closed	910-925	-
Haryana (Palwal)	Wheat Mill quality	875-880	872	+8
Rajasthan (Kota)	Wheat Mill quality	965-970	965-971	-1
Uttar Pradesh (Kanpur)	Wheat Mill quality	945-950	955-960	-10
Madhya Pradesh (Indore)	Wheat Mill quality	930-935	935-940	-5
Uttar Pradesh (Bareilly)	Wheat Mill quality	935-940	945-950	-10

SATELLITE PICTURE OF MONSOON PROGRESS (25.04.07)



Monsoon Features (25.04.07)

- ✓ The north-south oriented trough extending from Sub-Himalayan West Bengal & Sikkim to north Bay of Bengal is likely to persist over the same area during next 48 hrs. and subsequently move eastwards gradually. Under its influence, the ongoing fairly widespread rainfall with isolated heavy falls are likely to continue over the northeastern States till 27th and decrease thereafter. Day temperatures continued to remain above normal by 2-4°C over many parts of northwest India. Gradual rise in day temperatures is likely over this region during next 3-4 days. Heat wave conditions may also develop over some parts within a day or two.

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

- ✓ Scattered rain/thundershowers are likely to continue over northeastern States.
- ✓ Heat wave conditions are likely to continue over some parts of northwest and extend into some parts of central & east India.

Source: IMD (GOI)

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.