

WHEAT DAILY

16th APRIL, 2007

SPOT MARKETS:

Festive Mood in Markets

With Baisakhi celebrations continuing, coupled with Ambedkar Jayanthi Holiday activity in the markets were subdued. However, sentiments are steady with chances of procurement targets likely to be achieved smoothly. Wheat Procurement totalled 9.8 lakh tonnes as on 13th April 2007, with Punjab contributing 3.74 lakh tonnes and Haryana 6.03 lakh tonnes to Central pool. U.P. contributed a meager quantity of 1500 tonnes.

Total arrivals in Delhi markets stood at 50,000 - 60,000 bags and prices at Lawrence Road was quoted at Rs.940 - 950 per quintal (mill quality) and in Narela and Najafgarh mandis the price stood at Rs.870 - 890 per quintal. Arrivals in Karavli and Achnera were placed at 8,000 and 5000 qtls respectively, with prices at Rs. 880 - 900 per qtl.

While Mathura mandi was closed, Kosi received 8000 qtls (Price Rs. 860 - 865 per qtl), Hodal and Palwal received a total of 13,000 bags and the prices stood at Rs. 865 - 880 per qtl.

The current week beginning from 9th April 2007 witnessed increased activity in major wheat producing states of Punjab, Haryana, Uttar Pradesh and Rajasthan. While Punjab and Haryana are catering mainly for government procurement, Uttar Pradesh and Rajasthan are actively feeding private trade. As the levies/costs are lower in Uttar Pradesh and Rajasthan, traders prefer to buy from these two states.

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.

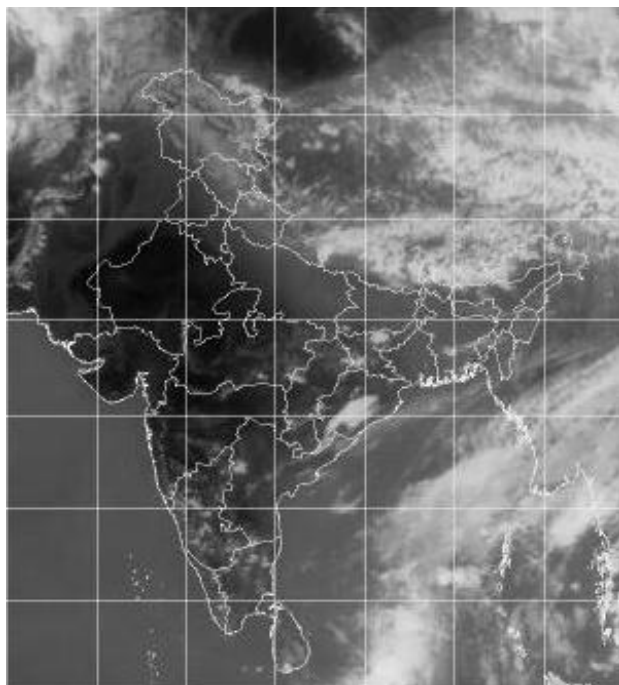
WEATHER:

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	14.04.07	13.04.07	Change
Delhi (Lawrence Road)	Wheat Mill quality	940-950	950	-
Delhi (Narella)	Wheat Mill quality	870-890	880-890	-
Haryana (Palwal)	Wheat Mill quality	865-880	860-865	-
Rajasthan (Kota)	Wheat Mill quality	995-1000	995-1000	-
Uttar Pradesh (Kanpur)	Wheat Mill quality	955-960	955-960	-
Madhya Pradesh (Indore)	Wheat Mill quality	960	960	-
Uttar Pradesh (Bareilly)	Wheat Mill quality	920	920-925	-

SATELLITE PICTURE OF MONSOON PROGRESS (14.04.07)



Monsoon Features (14.04.07)

- ✓ The prevailing heat wave conditions over some parts of Rajasthan and Haryana are likely to continue and extend into some parts of adjoining central India during next 48 hours.
- ✓ Yesterday's low-pressure area over southwest Bay of Bengal off Sri Lanka coast has become well marked low pressure area over the same region. It is likely to cause scattered rain/thundershower over extreme south peninsula during next 2-3 days.

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

- ✓ Isolated hailstorm/squall is likely over Orissa and West Bengal.
- ✓ Isolated rain/thundershowers is likely over Western Himalayan region..

Source: IMD (GOI)

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