

WHEAT DAILY

13th APRIL, 2007

SPOT MARKETS:

Wheat Procurement totalled 6.75 lakh tonnes as of today the 12th April 2007, with Punjab contributing 2.5 lakh tonnes and Haryana 4.25 lakh tonnes. Punjab mandis are now witnessing wheat arrivals at over 2 lakh quintals per day, which is expected to further increase. With huge production now expected to surpass earlier estimates, wheat procurement will progress at a faster pace from now onwards.

In Lawrence Road, Delhi arrivals stood at 10-12,000 bags today and traded at Rs.950 per qtl.

Combined arrivals at Narela/Najafgarh stood at 50,000 qtls and traded between Rs.880 - 890 per qtl. In Punjab, Khanna/Jagraon mandi witnessed 35,000 bags and prices ranged between Rs.850 - 860 per qtl. Achnera/Mathura mandis observed holiday.

In Hardoi, ITC is believed to have paid Rs.1001 per qtl (Tax paid, all inclusive price) and Rs.975 per quintal in Urai. In Shajapur mandi it was quoted at Rs.880 - 890 per qtl.

Total arrivals in U.P. are estimated over 200,000 qtls and in Haryana at 1.5 lakh qtls.

With domestic arrivals picking up, imports from Pakistan being contracted and brightening prospects for new crop, wheat prices are expected to hover in a narrow range around MSP of Rs.850 per qtl.

PRICE DRIVERS:

Bullish

1. Government decided to give a bonus of Rs.100/ql on MSP to induce farmers to sell to them.
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 resorting to fresh imports if procurement falls below expectations.
3. Arrivals in Uttar Pradesh mandis are expected to set the trend for softening prices, as the state is poised for huge production.
4. Private trading houses adopting a wait and watch attitude before entering Punjab Markets.

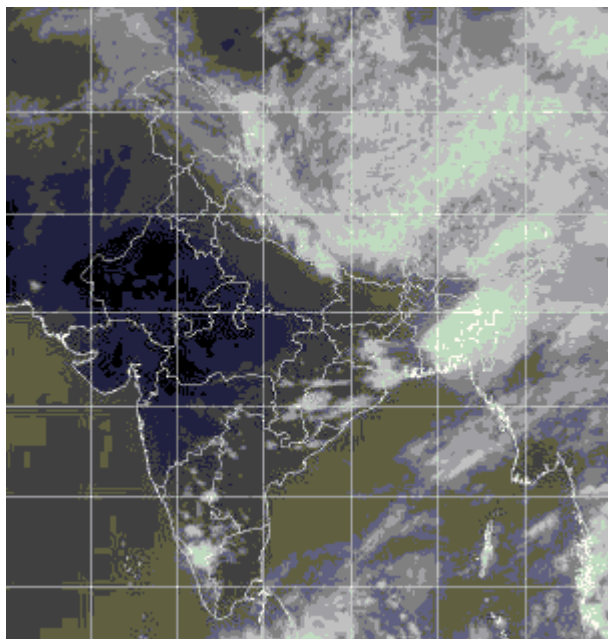
WEATHER:

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	12.04.07	11.04.07	Change
Delhi (Lawrence Road)	Wheat Mill quality	950	945-950	-
Delhi (Narela)	Wheat (Loose)	880-890	Weekly Off	-10
Haryana (Palwal)	Wheat (Loose)	860-865	850-855	+10
Rajasthan (Kota)	Wheat Mill quality	985-990	980-985	+5
Uttar Pradesh (Kanpur)	Wheat Mill quality	965	960-965	-
Madhya Pradesh (Indore)	Wheat Mill quality	955	945-950	+5
Uttar Pradesh (Bareilly)	Wheat Mill quality	915-920	925-930	-10

SATELLITE PICTURE OF MONSOON PROGRESS (12.04.07)



Monsoon Features (12.04.07)

During past 24 hours, light to moderate scattered rain/thundershowers have occurred over northeastern States and south Peninsula. The current meteorological analysis suggests that fairly widespread rain/thundershowers are likely over northeastern States with isolated heavy falls over Assam, Meghalaya, Nagaland, Manipur, Mizoram and Tripura during next 24 hours. With the likely weakening and eastwards movement of the trough, the ongoing rainfall activity over northeastern States is likely to decrease from tomorrow onwards.

Under the influence of a low pressure area presently lying over Sri Lanka and adjoining southwest Bay of Bengal, scattered rain/thundershower are likely over extreme south peninsula during 2-3 days.

Heat wave conditions prevailed over isolated pockets of Rajasthan and Haryana. With the likely clear sky conditions and gradual rise in day temperatures, heat wave conditions are likely to develop over some parts of northwest and adjoining central India during next 3-4 days.

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

- Mainly dry weather is likely over the North Western India.
- Gradual rise in day temperatures over the region.
- Heat wave conditions are likely over some parts of Haryana and West Uttar Pradesh during next 2-3 days.3 days.

Source: IMD (GOI)

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