

CEREAL

Agriwatch
DAILY

WHEAT

July 02, 2007

Domestic Market Recap

In Saturday's trading, most of the major markets witnessed steady to up in wheat prices amidst some demand from local flour millers. Total arrivals in Delhi (Lawrence Road) turned down at 11,000 qtls and prices quoted flat between Rs. 972-975 per quintals. At Narela and Najafgarh markets the price remains around 942/ctl, and 928-932/ctl (loose basis) on the back of arrivals around 4000 qtl and 5000 qtl respectively. Achnera market witnessed arrivals around 500 qtl and price remained at Rs.895-900/ctl.

Domestic Spot Market Prices

Market	Variety	Prices (Rs/ctl)		Change	Arrivals (Qtls)
		30.06.07	29.06.07		
Delhi (Lawrence Road) Ready Delivery	Mill quality	972-975	972-975	-	11,000
Delhi (Narela) Loose	Mill quality	942	940	+2	4000
Haryana (Palwal) Loose	Mill quality	894	892	+2	1000
Uttar Pradesh (Mathura) Loose	Mill quality	906	905-906	-	3000
Uttar Pradesh (Kosi) Loose	Mill quality	898-902	895-900	+2	1200
Haryana (Hodal) Loose	Mill quality	902-905	902-903	+2	500
Gujarat (Rajkot) Loose	Mill quality	930	925	+5	
Rajasthan (Kota)	Mill quality	1028-1032	1033-1038	-6	
Uttar Pradesh (Kanpur)	Mill quality	990-995	988-992	+3	
Madhya Pradesh (Indore)	Mill quality	988-993	976-981	+12	
Uttar Pradesh (Bareilly)	Mill quality	980-985	975-980	+5	

International Futures Quotes (as of June 29, 2007)

CBOT

Contract Month	Open	High	Low	Settle	Change
July 2007	630.00	632.00	582.00	582.00	-27.00
September 2007	638.00	650.00	593.75	597.00	-26.75
December 2007	650.00	658.00	606.00	610.50	-22.50

KCBT

Contract Month	Open	High	Low	Settle	Change
July 2007	623.00	630.25	595.00	596.50	-3.75
September 2007	625.00	636.00	595.00	595.00	-12.25
December 2007	645.00	649.00	608.00	618.25	-4.50

COMMODITIES RESEARCH

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International Market Recap**CBOT Wheat Futures Finished Lower**

CBOT wheat futures finished down Friday. July wheat ended 27 cents lower at \$5.82 per bushel, down 10.25 cents on the week. September wheat slipped 26.75 cents to \$5.97 per bushel, and December wheat closed 22.5 cents lower at \$6.105 per bushel. The USDA pegged planted acreage for spring wheat at 13.144 million acres as compared with the average trade estimate of 13.89 million acres (range 13.76-14.1) and compared with the March USDA preliminary forecast of 13.98 million acres. Producers planted 14.89 million last year. With Canadian planted acreage this week pegged at the lowest in 37 years and tightening world supply, the new planted acreage for spring wheat seemed to add bullish fuel to the fire. The USDA pegged all wheat planted acreage at 60.505 million acres as compared with the average trade estimate of 60.38 million acres (range 60-60.6) and compared with the March USDA forecast of 67.14 million acres. For the Grain stocks report, wheat stocks on June 1st (also ending stocks for the 2006/2007 season stood at 419 million bushels as compared with the average trade estimate at 419 million bushels (range 405-432) and compared with 572 million bushels last year.

News Analysis**USDA Wheat Weekly Export Sales Increased by 15%**

Net sales of 622,800 metric tons were 15 percent above the previous week. Increases were reported for unknown destinations (243,500 MT), Taiwan (90,400 MT), Mexico (58,500 MT), South Korea (43,900 MT), Costa Rica (33,400 MT), Japan (25,600 MT), and Honduras (24,800 MT). Exports of 443,900 MT were 20 percent above the previous week and 17 percent over the prior 4-week average. The primary destinations were Egypt (186,700 MT), Mexico (60,300 MT), Yemen (59,400 MT), Colombia (23,100 MT), and Japan (20,600 MT).

This summary is based on reports from exporters for the period June 15-21, 2007.

SOURCE: USDA

Ten Agencies Steadily Procuring Wheat from the Country

There are ten agencies procuring wheat during 2007-08 rabi marketing season. The agencies are FCI, NAFED, St. Govt., C.S.C., CO-OP, CONFED, AGRO, SWC, SFC, USS. Among the agencies CO-OP has procured largest amount around 3030658 tonnes so far as on 27.06.07. The other agencies have procured like, St. Govt. 2211344 tonnes, CSC 156,282,4 tonnes, FCI 1537995 tonnes, AGRO 1133883 tonnes, SWC 107,043,4 tonnes, CONFED 266,574 tonnes, NAFED 192518 tonnes, USS 35515 tonnes, SFC 33548 tonnes, in descending order. SFC and USS have procured wheat only from Uttar Pradesh. CONFED only from Haryana and CSC from Punjab. FCI procures wheat from Punjab, Haryana, U.P., M.P., Bihar, Rajasthan, Uttarkhand and Delhi. Wheat procurement from Bihar increase to 6689 tonnes this week as against 5024 tonnes and in Delhi remained flat around 873 tonnes as compared to last week. There was no procurement of wheat by government agencies from the states during last year. St. Govt. has purchased its maximum quantity around 127,464,9 tonnes from Punjab followed by 813,724 tonnes from Haryana. CO-OP has procured its largest amount around 166,402,7 from Punjab followed by 128,915,8 tonnes from Haryana. NAFED has procured its largest amount around 140501 tonnes from U.P. so far as on above mention date.

Weather Impact Analysis

Harvesting of wheat is complete in the country. So weather is not a major concern. However, heavy rains may affect the government procurement activity.

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