

■ W H E A T

■ June 21, 2007

Domestic Market Recap**Punjab, Haryana, U.P. and Rajasthan Contribute for Procurement**

In Wednesday's trading, most of the major markets witnessed steady to up in wheat prices against a lower supply. Total arrivals in Delhi (Lawrence Road) remained flat at 1400 qtls and prices remain steady between Rs. 950-955 per quintals on improved demand from local floor millers. Narela and Najafgarh markets are closed. Karavali market witnessed arrivals around 1000qtls and price remain Rs. 875-876/qlt. Achnera market saw the arrivals around 800qtls and price remains 880/qlt.

Domestic Spot Market Prices

Market	Variety	Prices (Rs/qlt)		Change	Arrivals (Qtls)
		20.06.07	19.06.07		
Delhi (Lawrence Road) Ready Delivery	Mill quality	950-955	950-955	-	1400
Delhi (Narela) Loose	Mill quality	Closed	910-915	-	-
Haryana (Palwal) Loose	Mill quality	875	870	+5	700
Uttar Pradesh (Mathura) Loose	Mill quality	877-878	880-885	-7	2000
Uttar Pradesh (Kosi) Loose	Mill quality	888-889	875	-15	800
Haryana (Hodal) Loose	Mill quality	887	886	+1	350
Gujarat (Rajkot) Loose	Mill quality	865	865	-	300
Rajasthan (Kota)	Mill quality	985-990	986-991	-1	
Uttar Pradesh (Kanpur)	Mill quality	962-967	962-967	-	
Madhya Pradesh (Indore)	Mill quality	958-963	947-952	+11	
Uttar Pradesh (Bareilly)	Mill quality	960-965	955-960	+5	

International Futures Quotes (as of June 19, 2007)**CBOT**

Contract Month	Open	High	Low	Settle	Change
July 2007	593.00	600.00	579.00	581.00	-20.00
September 2007	605.00	615.00	594.00	597.00	-20.50
December 2007	612.00	618.50	599.00	601.50	-21.25

KCBT

Contract Month	Open	High	Low	Settle	Change
July 2007	582.00	589.00	567.00	569.25	-22.50
September 2007	599.00	599.00	577.00	578.50	-23.00
December 2007	592.00	608.00	591.00	592.00	-17.75

CEREAL

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DAILY

WHEAT

June 21, 2007

International Market Recap

CBOT Wheat Futures Settled Down

CBOT wheat futures closed down Tuesday on the pressure from improved harvest weather. July wheat tumbled 20 cents to \$5.81 per bushel. This was 19 off the high and 2 up from the low. December Wheat closed down 21.25 cents at \$6.015 per bushel. This was 2.5 up from the low and 17 off the high. A warmer and drier outlook in the forecast for the plains and the delta helped spark ideas that the crop harvest weather will be near ideal for the next week and helped drive futures sharply today. Improving spring wheat crop conditions and anticipated harvest pressure for the winter wheat harvest added underllying weak tone. The weekly winter wheat conditions report showed 50% was rated good/excellent compared to 52% last week and 29% last year.

News Analysis

Govt. Wheat Procurement has Increased by 19.7 % so far

Wheat procurement by Government crosses 11 million tonnes and stood around 11,037,507 tonnes so far as on June 18 as against the 9.22 million tonnes of the food grain was procured last year. However, it is unlikely that government will touch the targeted 15 million tonnes of the food grain procurement as the procurement season is over in the key wheat growing states of Punjab and Haryana. However, the procurement will be continuing in Uttar Pradesh, Rajasthan, and Delhi till June end as progressive procurement is remained strong. In Bihar, procurement operations continue until Jul 15. According to the market players the procurement of wheat this year likely to be around 11.2 million tonnes. In the states of Haryana, U.P., M.P. and Rajasthan the wheat procurement is higher as compared to last year. The total procurement in Uttar Pradesh stood up around 496,204 tonnes as against the previous year procurement of 45,583 tonnes so far. In Madhya Pradesh it is remained higher around 56,549 as compared to last year procurement of only 20 tonnes. In Rajasthan the procurement stood up also around 377,807 tonnes as against 1,582 tonnes procured last year. The arrivals are remained good in the states of U.P. and M.P. and stood above 20,000 tonnes. It is learnt that to bridge the gap between procurement and demand under state-run welfare schemes, the government is planning to import 3-5 million tonnes of wheat this year.

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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