

■ W H E A T

■ June 26, 2007

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

In Monday'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) remained up at 13,500 qtls and prices quoted up between Rs. 970 per quintals. At Narela and Najafgarh markets the price remains up 930-935/ctl, and 925-930/ctl respectively (loose basis) on the back of arrivals around 4000-qtls and 3500qtls respectively. Karavali market witnessed arrivals around 1000qtls and price remain up Rs. 890/ctl. Achnera market is closed.

Domestic Spot Market Prices

Market	Variety	Prices (Rs/ctl)		Change	Arrivals (Qtls)
		24.06.07	23.06.07		
Delhi (Lawrence Road) Ready Delivery	Mill quality	970	955-960	+10	13,500
Delhi (Narela) Loose	Mill quality	930-935	917-920	+15	4000
Haryana (Palwal) Loose	Mill quality	890	878	+12	2000
Uttar Pradesh (Mathura) Loose	Mill quality	900-905	880	+15	2000
Uttar Pradesh (Kosi) Loose	Mill quality	905	887-890	+15	1000
Haryana (Hodal) Loose	Mill quality	905	888-890	+15	600
Gujarat (Rajkot) Loose	Mill quality	880	870	+5	
Rajasthan (Kota)	Mill quality	995-1000	992-998	+2	
Uttar Pradesh (Kanpur)	Mill quality	970-975	960-966	+9	
Madhya Pradesh (Indore)	Mill quality	982-987	965-971	+16	
Uttar Pradesh (Bareilly)	Mill quality	965-970	965-970	-	

International Futures Quotes (as of June 22, 2007)**CBOT**

Contract Month	Open	High	Low	Settle	Change
July 2007	599.00	607.00	587.00	592.25	-13.75
September 2007	616.00	623.00	600.00	605.00	-17.00
December 2007	620.00	627.50	609.50	612.50	-15.50

KCBT

Contract Month	Open	High	Low	Settle	Change
July 2007	580.00	584.00	569.50	570.75	-16.75
September 2007	585.00	593.00	578.00	580.50	-16.00
December 2007	604.00	606.50	592.00	595.00	-15.00

CEREAL

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DAILY

WHEAT

June 26, 2007

International Market Recap

CBOT Wheat Futures Settled Lower

CBOT wheat futures settled sharply down Friday on advancing harvest. July wheat closed 13.75 cents lower at \$5.923 per bushel. This was 0.75 off the high and 5.25 up from the low. December Wheat closed down 15.5 cents at \$6.125 per bushel. This was 3 up from the low and 15 off the high. Ideas that a hotter and drier weather forecast for the plains next week could spark increased harvest selling pressures along with talk of the extreme technical overbought condition of the market helped spark some of the selling. For the Canadian planted acreage report for Tuesday, traders look for planted acreage to come in near 23.4 million acres with a wide range of expectations from 22.4 to 25.8 million. In March, producers were expecting to plant 23.8 million acres as compared with 26.4 million last year. Poor weather slowed plantings in some areas, but high wheat prices may have been an incentive to boost acres.

News Analysis

Wheat Procurement Remained Good amidst steady Arrivals

Wheat procurement by Government stood up around 11,058,390 tonnes so far as on June 20, against 9,231,004 tonnes a year ago. In Bihar, procurement operations continue until Jul 15. Different government agencies of Punjab have procured the lower amount of 6,756,756 tonnes as against the last year procurement around 6,951,404 tonnes. The target this year is stood around 75 lakh tonnes. However, in the states of Haryana, U.P., M.P. and Rajasthan it is higher as compared to last year. The total procurement in Haryana stood up around 3,346,460 tonnes as against the previous year procurement of 2,228,725 tonnes. U.P. has contributed larger amount of wheat around 50,996,1 tonnes to the central pool so far as compared to 48,873 tonnes last year. The procurement in M.P. and Rajasthan remained up so far around 56,997 tonnes and 380,505 tonnes respectively as against the total procurement of last year's 20 tonnes and 1582 tonnes respectively. Delhi contributed a good amount of 873 tonnes as compared to nil procurement last year. Bihar also witnessed good procurement around 5024 tonnes by the government agencies as against zero procurement last year. The arrivals are remained good in the states of U.P. and M.P., Rajasthan, Chandigarh, Delhi, Bihar and stood above 21,500 tonnes in toto.

Total Wheat Arrivals Increased by 0.13 Mln tonnes This Week

Total wheat arrivals are increased by around 0.13 million tonnes this week and stood around 151,598,46 tonnes so far as on 20.06.07 as against 150,250,21 tonnes on June 14 in the country as Government is still buying around 7000 tonnes of wheat daily. The pace of procurement is lower as government has discontinued the bonus prices of Rs.100/qtl on wheat MSP in the key producing states such as Haryana and Punjab. The daily market arrivals is lower around 22000 tonnes as against 57000 tonnes last week. Majority of daily arrivals (85%) are reported from U.P. and M.P.. The daily arrivals remained steady to higher in Delhi and Uttrakhand as compared to last week. 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 above 302,863,9 tonnes so far as on 20.06.07.

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