

■ W H E A T

■ June 06, 2007

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

Total arrivals in Delhi (Lawrence Road) increased marginally to 7500 qtls, whereas prices also inched marginally higher to Rs 925 per quintal on improved demand from local floor millers. At Narela and Najafgarh markets the price remains 892-897/qlt, and 885-895/ qtl respectively (loose basis) on the back of arrivals 2500 qtls and 2000 qtls respectively. Karavali market has witnessed 800-1000 qtls arrivals and price remain at Rs.860/qlts market is closed. At Achnera market wheat trades at Rs.855-860/qlt on the back of arrivals around 1000 qtls

Domestic Spot Market Prices

Market	Variety	Prices (Rs/qlt)		Change	Arrivals (Qtls)
		05.06.07	04.06.07		
Delhi (Lawrence Road) Ready Delivery	Mill quality		920	+5	7500
Delhi (Narela) Loose	Mill quality	895-902	892-897	+5	4000
Haryana (Palwal) Loose	Mill quality	855	850	+5	10s00
Uttar Pradesh (Mathura) Loose	Mill quality	870	865-870	+5	2500
Uttar Pradesh (Kosi) Loose	Mill quality	870-875	860-865	+5	2500
Haryana (Hodal) Loose	Mill quality	865	865	-	1200
Gujarat (Rajkot) Loose	Mill quality	865	865	-	2000
Rajasthan (Kota)	Mill quality	867-872	962-967	+5	s
Uttar Pradesh (Kanpur)	Mill quality	865	957-962	+3	
Madhya Pradesh (Indore)	Mill quality	930	922-927	+5	
Uttar Pradesh (Bareilly)	Mill quality	850	950-655	-	

International Futures Quotes (as of June 04, 2007)**CBOT**

Contract Month	Open	High	Low	Settle	Change
July 2007	523.25	531	518.5	520.25	-0.5
September 2007	536.5	544	533	535.5	-
December 2007	547.5	556.25	544.25	546.5	-0.5

KCBT

Contract Month	Open	High	Low	Settle	Change
July 2007	510	516.5	503	504.75	-2.75
September 2007	520	527	514	516.75	-5.25
December 2007	535	542	530	530	-3.5

International Market Recap**CBOT Wheat Futures Tested New Contract Month's Highs**

Wheat futures settled down on Monday as traders booked profit on hot and dry weather forecast for central and south plains. July Wheat finished down 1/2 at 520 1/4, 10 3/4 off the high and 1 3/4 up from the low. December Wheat closed down 1/2 at 546 1/2. This was 1/2 up from the low and 9 off the high. The prices eased on forecast of hotter and drier weather for the central and southern plain. Initially the prices remained firm on the news that Egypt bought 180,000 tonnes of US soft red wheat at their weekend. Further, concerns of wet and warm weather in the southern plains also supported the prices. However, bearish export inspection figures pressured the prices thereafter. Weekly export inspections came in at 15.9 million bushels as compared with trade expectations for 17-24 million bushels.

News Analysis**No Fresh Tenders For Wheat Imports: Pawar**

Union Agriculture Minister, Shri Sharad Pawar said yesterday that there would be no fresh tenders for import of wheat at least for the next few days. On the Government directive, the STC floated a tender for import of 10 lakh tonnes of wheat but last week it was cancelled on the ground that price quoted was too high (\$265/tonne). However, Mr T. Nanda Kumar, Secretary, Food and Public Distribution, said the Government might take a decision on calling for fresh tender for wheat imports within 15 days. The Government imported about 55 lakh tonnes of the grain during the last fiscal.

Govt. Wheat Procurement has Increased by 14% so far

Wheat procurement by Government surpasses last year procurement and stood around 10.51 Mln Tonnes so far as on May 31 excluding 6 lakh tonnes procured by state government of Punjab. The procurement has increased by 14% till now as against last year. The Centre had bought a total of 9.22 Mln Tonnes of the food grain last year. The procurement is still short of the targeted 15 Mln Tonnes despite a 4 Mln Tonnes projected increase in output. The trend is showing that Govt. will be able to procure around 12 Mln Tonnes of the food grain this year. The procurement of Punjab is still lower whereas, in Haryana, U.P., M.P. and Rajasthan it is higher as compared to last year. In Punjab, wheat procurement, till date, is lagging at 6.52 Mln Tonnes, down 6% from 6.94 Mln Tonnes a year ago period. Total arrivals are stood higher around 14.45 million tonnes so far as on May 31 in the country. This year around 100,000 tonnes wheat is still arriving in the mandis everyday by May-end as against 3,000-4,000 tonnes a day during same period of last year. Of the total arrivals so far in the country around 11.45 million tonnes arrived in the states of Punjab and Haryana. Arrivals remain in M.P. around 1.09 million tonnes, whereas, in U.P. and Rajasthan it stood around 9.6 and 7.1 lakh tonnes respectively.

Weather Impact Analysis

Harvesting of wheat is complete in the northwestern parts. Threshing and drying is in progress in Punjab and Haryana. Isolated rain/thunderstorms over this region may affect post harvest activities.

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