

■ W H E A T

■ July 27, 2007

Domestic Market Recap

In Wednesday's trading, most of the major markets witnessed steady to up tone in wheat prices on rising demand from flour millers. Flour millers have accelerated their buying due to strong demand for bakery products. The price of different wheat products have also increased. Atta quoted at Rs.1068/90kg. Maida and sooji traded at Rs.1256/90 kg and Rs.700 a 50 kg bag respectively. Flour millers are interested to pile up their stocks in order to make profit in off season. Total arrivals in Delhi (Lawrence Road) remained up at 8000 qtls and prices quoted steady between Rs.1030-35 per quintals. At Narela and Najafgarh markets the price remained around 980-982/qrtl, and 980-983/qrtl (loose basis) on the back of lower arrivals around 3000 qtl and 2500 qtl respectively.. Karavalli market witnessed arrivals around 800qtls and price remained around Rs.962/qrtl. Price remained at Rs. 950-952 per quintals in Achnera market on arrivals around 500 qtls

Domestic Spot Market Prices

Market	Variety	Prices (Rs/qrtl)		Change	Arrivals (Qtls)
		26.07.07	25.07.07		
Delhi (Lawrence Road) Ready Delivery	Mill quality	1030-1035	1030-1035	-	8000
Delhi (Narella) Loose	Mill quality	980-982	Closed	-	3000
Haryana (Palwal) Loose	Mill quality	960-962	960	+2	500
Uttar Pradesh (Mathura) Loose	Mill quality	978-980	977-978	+2	1500
Uttar Pradesh (Kosi) Loose	Mill quality	965-967	965	+2	1000
Haryana (Hodal) Loose	Mill quality	955-963	955-963	-	500
Gujarat (Rajkot) Loose	Mill quality	1010-1015	1010-1015	-	300
Rajasthan (Kota)	Mill quality	1072-1077	1072-1077	-	
Uttar Pradesh (Kanpur)	Mill quality	1057-1062	1058-1062	-	
Madhya Pradesh (Indore)	Mill quality	1065-1070	1060-1066	+4	400
Uttar Pradesh (Bareilly)	Mill quality	1055-1060	1055-1060	-	

International Futures Quotes (as of July 25, 2007)**CBOT**

Contract Month	Open	High	Low	Settle	Change
September 2007	641.00	641.00	631.00	634.00	-8.00
December 2007	653.00	657.50	648.00	652.50	-6.50
March 2008	652.00	656.00	647.00	648.50	-9.50

KCBT

Contract Month	Open	High	Low	Settle	Change
September 2007	625.00	629.00	623.00	626.75	-3.25
December 2007	641.00	644.50	639.00	642.00	-3.50
March 2008	651.00	653.00	648.50	650.00	-3.50

CEREAL

Agriwatch
DAILY

WHEAT

July 27, 2007

International Market Recap

CBOT Corn Futures settled Up

CBOT corn futures settled up Wednesday. December Corn finished up 0.5 cents at \$3.273 per bushel; this was 4.5 off the high and 1 up from the low. September Corn closed steady at \$3.115 per bushel. This was 0.75 up from the low and 4.5 off the high. Talk of the oversold technical condition of the market, some forecasts for hot and dry weather into the Midwest next week and strength in the other grains helped support the early bounce. However, a sell-off in wheat and the other grains along with weakness in other commodities contributed to the minor set-back into the mid-session. Liquidation of long wheat/short corn spreads helped to support the market late in the day despite weakness in soybeans but the market closed back near unchanged. Good weather for the Midwest into early next week and ideas that pollination of the crop was near ideal helped limit the buying support.

News Analysis

PEC to Sell 21,478 tonnes of Imported Russian wheat in Domestic Market

PEC, State-owned trading firm likely to sell 21,478 tonnes of imported wheat of Russian origin that was imported last year. The wheat stored in several warehouses of Tuticorin will be sold in domestic market by August 3. According to PEC, the last date of submission of bids is July 30 and the price quotations would be opened on the same day. The decision will no doubt benefit flour millers in the south as they would have to pay less on transport of the foodgrain from Tuticorin.

4th Advance Estimate: Wheat Production Up

According to the fourth advance estimate of government of India the wheat production in the year of 2006-07 stood up around 74.89 million tonnes as against the production of 69.35 million tonnes during last 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 market arrivals.

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