

■ W H E A T

■ July 03, 2007

Domestic Market Recap

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) turned down at 10,000 qtls and prices quoted up between Rs. 974-977 per quintals. At Narela and Najafgarh markets the price remains around 942-944/ctl, and 930-934/ctl (loose basis) on the back of arrivals around 3000 qtl and 4000 qtl respectively. Achnera market witnessed arrivals around 400 qtl and price remained at Rs.900/ctl. Karavali market witnessed arrivals around 300 qtls and price remained up between Rs. 900-902/ctl.

Domestic Spot Market Prices

Market	Variety	Prices (Rs/ctl)		Change	Arrivals (Qtls)
		02.07.07	30.06.07		
Delhi (Lawrence Road) Ready Delivery	Mill quality	974-977	972-975	+2	10,000
Delhi (Narela) Loose	Mill quality	942-944	942	+2	4000
Haryana (Palwal) Loose	Mill quality	894	894	-	1000
Uttar Pradesh (Mathura) Loose	Mill quality	906	906	-	2000
Uttar Pradesh (Kosi) Loose	Mill quality	898-902	898-902	-	1000
Haryana (Hodal) Loose	Mill quality	902-905	902-905	-	400
Gujarat (Rajkot) Loose	Mill quality	930	930	-	
Rajasthan (Kota)	Mill quality	1027-1032	1028-1032	-	
Uttar Pradesh (Kanpur)	Mill quality	990-995	990-995	-	
Madhya Pradesh (Indore)	Mill quality	1002-1007	988-993	+14	
Uttar Pradesh (Bareilly)	Mill quality	990-996	980-985	+11	

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

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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**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, Uttarakhand 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.

Total Wheat Arrivals Increased by 112502 tonnes This Week

Total wheat arrivals are increased by more than 112502 tonnes this week and stood around 15272348 tonnes so far as on 27.06.07 as against 151,598,46 tonnes on 21.06.07 in the country as Government is still buying good amount of wheat daily. The pace of procurement is lower as government has discontinued the bonus prices of Rs.100/qlt on wheat MSP in the key producing states such as Haryana and Punjab. The daily market arrivals is lower as against last week. Majority of daily arrivals are reported from U.P. and M.P.. The daily arrivals remained steady to higher in Delhi and Uttarakhand 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.

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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