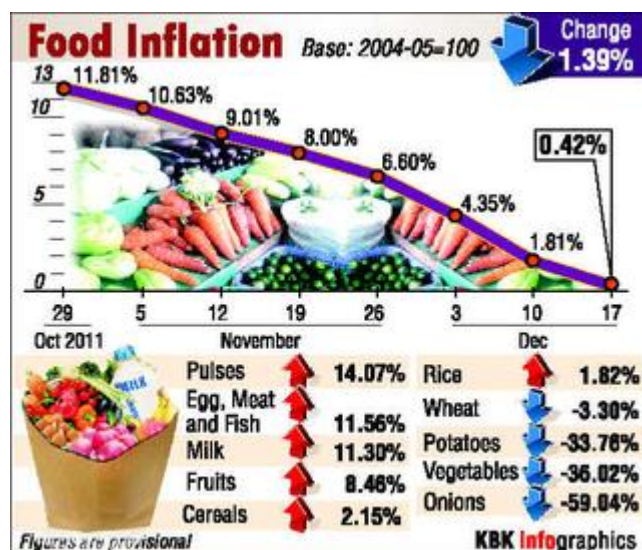


Published: December 30, 2011 00:00 IST | Updated: December 30, 2011 04:30 IST

Food inflation at low ebb



Food inflation fell to its lowest level in almost six years at 0.42 per cent for the week ended December 17, with a sharp decline in prices of essential items such as onions and potatoes likely to prompt the RBI to cut interest rates at its policy review next month.

With food inflation declining to below one per cent, the lowest since April, 2006, Finance Minister Pranab Mukherjee hoped that headline inflation would drop to 6 per cent by March-end.

“If this trend continues, then you will have year-end (headline) inflation around 6 per cent (plus/minus)... But it can not be lower than 6 per cent, because inflationary pressure was higher in weeks before,” he told reporters.

Food items have a 14 per cent share in the overall Wholesale Price Index (WPI) basket.

According to data released on Thursday, onions grew cheaper by 59.04 per cent year-on-year during the week under review, while potato prices were down by 33.76 per cent. Prices of wheat also fell by 3.30 per cent.

Overall, vegetables became cheaper by 36.02 per cent.

Food inflation was in double digits in early November. It stood at 1.81 per cent in the previous week ended December 10.

Experts attributed the fall to a good kharif harvest as well as a high base.

Manufactured inflation, which forms over 65 per cent of the WPI basket, is hovering around 8 per cent.

While inflation in the vegetable and wheat segments eased during the reporting week, prices of protein-rich items such as eggs, milk and pulses have continued to remain high.

Pulses were costlier by 14.07 per cent during the week under review, while milk grew dearer by 11.30 per cent and eggs, meat and fish by 11.56 per cent.

Inflation in the overall primary articles category stood at 2.70 per cent during the week ended December 17, as against 3.78 per cent in the previous week.

Inflation in the non-food segment, which includes fibres and oilseeds, was recorded at 0.28 per cent during the week under review, as against 1.37 per cent in the week ended December 3.

Fuel and power inflation stood at 14.37 per cent during the week ended December 17, as against 15.24 per cent in the previous week.

Published: December 30, 2011 00:00 IST | Updated: December 30, 2011 04:21 IST

Appointments in agriculture department on contract basis

Staff Reporter

The agriculture department is filling up 45 posts at various levels that have been created under the centrally-sponsored support to State Extension Programmes for Extension Reform Schemes. Vacancies will be filled up on a contract basis under the Agricultural Technology Management Agency (ATMA).

Joint Director of Agriculture (in-charge) A. Prabakaran said that recruitment would be made for the post of a block technology manager and two subject matter specialists at all the 15 blocks in the district.

Placement cell

He said that for this purpose a placement cell has been formed at the district level with the District Collector as its Chairman.

The cell comprises Joint Director of Agriculture, Regional Joint Director of Animal Husbandry, Deputy Director of Horticulture, Co-ordinator of the Krish Vigyan Kendra (KVK) and Executive Engineer (Agricultural Engineering). Eligible candidates will be selected by duly conducting written examination, interview and verifying all qualification certificates.

Applicants for the post of Block Technology Manager should be a graduate or post-graduate in Agriculture and allied sectors with computer skills. Subject Matter specialists should be graduates or post-graduates in Agriculture, Horticulture, Economics, Marketing, Veterinary Sciences or Fisheries.

Besides the above posts, one accountant-cum-clerk and one computer programmer at the district level will also be placed under contractual basis for two years.

Interested and eligible persons should submit their applications in a white paper along with a copy of their biodata and supporting certificates. Applications should reach the office of the Joint Director of Agriculture, Collectorate Annexure Building, District Collectorate, Namakkal, before 5 p.m. on January 3.

The candidates would then undergo a written test for one hour that will be conducted from 11 a.m. to 12 p.m. on Thursday (the following day) at the Collectorate meeting hall. List of selected candidates will be affixed on the Collectorate notice board the same evening.

Interview for the selected candidates will be conducted from 10 a.m. on Friday, January 5, at the office of the Joint Director of Agriculture. Selected candidates will be given the offer letters after following all the terms and conditions.

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Gandhi forum to popularise inexpensive natural farming

A Correspondent

: A five-day training workshop on 'Zero Budget Natural Farming (ZBNF)' will be held at Gandhi Bhavan here from January 4. The workshop is being organised by the Kerala Gandhi Smarak Nidhi (KGSN) as part of its efforts to popularise the farming method. Registration is open to all.

Revenue Minister Thiruvanchoor Radhakrishnan and Minister for Agriculture K.P. Mohanan will attend the inaugural function and Water Resources Minister P.J. Joseph will attend the concluding ceremony.

The ZBNF, also known as inexpensive natural farming, was propounded by the exponent of natural farming Subhash Palekar. The production cost will be zero for crops cultivated using this method and hence the name.

The workshop will be an opportunity to learn Mr. Palekar's method of zero budget farming.

He developed this technique after 12 years of research. It is claimed that one cow is sufficient to take up this method of farming on 30 acres of land. N. Radhakrishnan, working chairman of the KGSN, said "chemical fertilizers and pesticides used excessively in farms have rendered the land useless and unsuitable for further farming, forcing farmers to abandon agricultural activities." He added that 30 lakh farmers in more than seven States had obtained better harvest through ZBNF than chemical farming in one year after implementation.

N. Nanukuttan Nair, joint secretary of the KGSN, said around 400 people would attend the workshop. The Nidhi had organised 200 farmers to follow the ZBNF. He said farmers had successfully used the method to cultivate food grains, rubber, cardamom, coffee, and tea, and it was increasingly becoming popular among the farming community.

Published: December 30, 2011 00:00 IST | Updated: December 30, 2011 04:25 IST

Haryana procures record paddy

The government agencies have procured a record over 29.23 lakh tonnes of paddy in Haryana so far.

Disclosing this on Thursday, a spokesman of the Haryana Food & Supplies Department said that last year, government agencies procured over 24.82 lakh tonnes of paddy in the State.

Paddy arrivals in the State also crossed 47.9 lakh tonnes on Wednesday whereas a total of 4,612,199 tonnes of paddy arrived in the mandis last year.

Published: December 30, 2011 00:00 IST | Updated: December 30, 2011 04:21 IST

Farmers asked to be prepared for rains

Staff Reporter

The Agrometeorological Advisory Services (AAS) has advised farmers of this district to be prepared for the rains anticipated till Saturday by storing sufficient cereals and other raw materials without excess moisture.

However, the AAS report stated that the impact of the cyclone over the Bay of Bengal would be too minimal compared to its impact in the coastal districts.

The Krishi Vigyan Kendra has urged farmers to store the harvested castor, maize and groundnut are to be stored in a secure manner. At this juncture they have been advised to avoid storage in the open fields to avoid the harvest from getting affected by the rains and winds – as a precautionary measure. As the weather is going to be cloudy and rainy, farmers have been asked to delay the harvesting process and start them from Monday.

Weather forecast for the next three days states that the maximum day temperature will be in the range of 26°C to 28°C while the minimum night temperature may drop up to 16°C. Maximum and minimum relative humidity during this period is expected to be around 65 to 66 per cent and 35 to 38 per cent respectively, the report added.

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■ Friday, December 30, 2011

HT Correspondent, Hindustan Times

New Delhi, December 29, 2011

First Published: 12:19 IST(29/12/2011)

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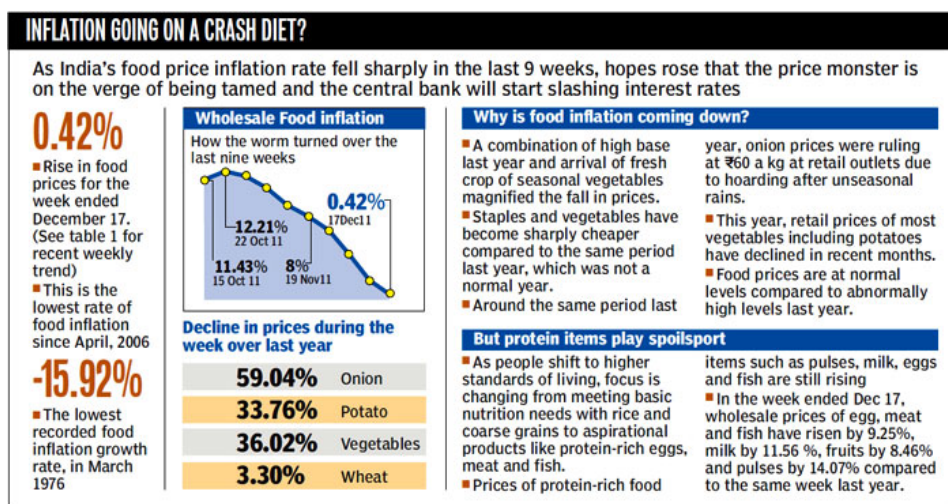
Food inflation falls to 0.4%

India's food inflation rate fell steeply to 0.42% during the week ended December 17 compared to last year, continuing the decline over the last nine weeks from 11.43% in mid-October. Fresh arrival of seasonal vegetables bolstered supplies and pushed down prices.

Onion prices crashed by nearly 60% during the week compared to last year when the

vegetable's price had skyrocketed to record levels as speculative hoarding and unseasonal rains damaged crops.

"If this trend continues then you will have (fiscal) year-end (headline) inflation around 6%... But it can not be lower than 6% because inflationary pressure was higher in weeks before," said finance minister Pranab Mukherjee.



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THE ECONOMIC TIMES

Commodities

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30 DEC, 2011, 02.16AM IST, MADHVI SALLY & PK KRISHNAKUMAR, ET BUREAU

Maize prices may remain firm on surging demand

AHMEDABAD/KOCHI: Increased demand from the poultry and starch industry is expected to keep maize prices firm. On NCDEX, the maize January contract closed at Rs 1,222 a quintal, up by 0.25% and the March contract closed at Rs 1,280 a quintal, up by 0.47%. On the Nizamabad spot market, prices were ruling at Rs 1,149 a quintal on Thursday.

Despite the high price, demand from the poultry feed market has not shrunk. Though prices

have eased a bit over the last month, they are still ruling high. "Usually one-third of the constituents in poultry feed is maize. There is no substitute for maize as a minimum quantity is required to get the yellow colour of the egg yolk," said Ravikumar, director of Ravi Poultry Farms near Coimbatore.

Maize prices had shot up to Rs 14 per kg before settling down at Rs 12 per kg. As a result, poultry feed price has remained around Rs 1,100 per 75 kg compared with Rs 950 in the previous year.

In the recent months, feed manufacturers are adopting a wait-and-watch policy. "We have not gone for a raise but if maize prices go up again, we will be forced to increase the feed prices," said Dr Ramamoorthy, general manager of SKM Animal Feeds and Foods.



Jumbo menace in Seraikela: Paddy, 20 homes wrecked

THURSDAY, 29 DECEMBER 2011 22:16

PNS | JAMSHEDPUR

A herd comprising 30 elephants that had been staying in Pudisili forest in Seraikela-Kharsawan district for a while strayed into human habitation and destroyed over 20 houses and paddy stock at Kapali, Pudisili and Asanboni panchayat areas over the last four days.

The herd split into five smaller herds and spread to separate areas in close proximity of the forest. The elephant menace has forced villagers to stay awake at nights.

According to the villagers, the smaller herds of elephants come out of the forest and move towards villages where they search for harvested paddy stock at duskfall. They damage houses in the process.

Concerned over the elephant menace, the forest department has once again deployed a team of professionals from West Bengal to drive them away from villages and make the herds move towards Dalma wildlife sanctuary.

Divisional forest officer of Dhalbhum AT Mishra said that a 12-member team from the State has been pressed into service 48 hours ago to drive away the herds from the villages.

“The team is yet to taste success though they had spent two consecutive nights making efforts to drive the elephants towards Dalma,” said Mishra. According to him, Dalma wildlife sanctuary is about four kilometres away from Pudisili forest.

The DFO said the team is facing problems as the elephants have got divided into five different herds. “When the team drives away one herd from a village, another herd moves in and takes its place,” he said.

The elephants are fond of paddy. As they advance during their migration, they stomach the standing crop in the fields. On their return, they target the harvested crops kept inside houses.

The forest department started making an estimate of the loss caused by the elephant herds. Officials of the department revealed that, according to Government norms, the department pays Rs1,000 per acre for damage to standing crop and Rs200 per quintal for harvested crops. The forest department also pays a compensation of Rs5,000 to a villager whose house has been partially damaged by a wild elephant.

Elephants tend to damage houses partially as they target that portion of the house where the harvested paddy is stocked.

For the last couple of months, several pockets of Seraikela- Kharswan district has witnessed the wrath of elephants and, despite the forest department taking necessary measures, three deaths of local villagers have been reported so far this year.

Business Standard

Friday, Dec 30, 2011

Agriculture ministry expects higher pulses production

Anindita Dey / Mumbai December 30, 2011, 0:43 IST

The Union ministry of agriculture expects the total domestic production of pulses to be 2.2-2.3 million tonnes (mt) in 2011-12, as against 1.8 mt in 2010-11.

According to official sources, crop area of around 600,000-700,000 hectares was lost in the kharif season due to unseasonal rains. Therefore, the government has allocated Rs 800 crore for crop-intensive zones, to lure farmers, for growing more pulses in the rabi season. "With the added incentive, crop area of atleast 400,000-500,000 hectares could be restored," they said.

The sum is an additional allocation besides the usual schemes under the technology mission on pulses and oilseeds. Farmers were advised to grow pulses as an intercrop within two main cash crops.

The ministry, estimates are in contrast to the industry estimates, where production is likely to decline by five-seven per cent to 17 mt, against the earlier estimate of 18.5 mt. For better marketability, the ministry has advised states to ask local schools and anganwadis, where the mid-day meal programme could be tied-up with local farmers to purchase pulses.

In future, too, for any food-guarantee scheme, arrangements would be done to directly tie farmers and procurement agencies at the state-level, said official sources. "On the one hand, farmers are growing pulses, but we are importing for local needs. This has to be minimised. On the other, they should be ensured a remunerative price for the produce through such linkages", they added.

Besides, all private seed agencies and the Indian Council of Agricultural Research (ICAR) were advised to develop hybrid varieties. In the new plan, the ministry has proposed allocations to develop the entire value chain of pulses.

"While all missions of oilseeds and pulses would continue, it is expected there would be an increased allocation by 15-20 per cent in the 12th Five-year Plan for these schemes",

added the official source.

India is a net importer of pulses. In the current financial year, this is expected to be last year's level of about 2.7 million tonnes (mt) according to current reports. The country produced a record 18.09 million tonnes of pulses in 2010-11 crop year (July-June), compared to 14.66 million tonnes in the same period last year.

Although India is the largest pulses producer, it had been importing three-four mt of pulses to meet its annual demand of 18-19 mt. The prices have, however, eased between 30-50 per cent, depending on varieties from their peak of 2008-09.

THE HINDU Business Line

Easing food burden

With food price rise arrested, the prospects for a general easing of inflationary pressure in the economy are brighter.

It all began with food; it shall now hopefully end with food. For 23 months in a row since January 2010, the all-commodities wholesale price index-based inflation rate has ruled at eight per cent or above. But the annual inflation in food articles has hovered around those levels even longer from September 2008 or 39 months. The good news is that we are beginning to see a considerable easing of food inflation. From an average of 8.5 per cent in November, it has successively fallen to 0.4 per cent for the week ended December 17, and could well hit negative territory for the subsequent week. Importantly, this decline is not entirely due to the so-called high-base effect. Since end-October, the food articles index itself has dipped by 5.7 per cent, whereas the corresponding period of 2010 saw it rise in absolute terms by over five per cent. This picture seems all the more convincing at the retail end, where a kilo of onion is today selling in Delhi for Rs 15, against almost Rs 50 at this time last year. The same goes for tomatoes (Rs 15 versus Rs 34) or potatoes (Rs 8 versus Rs 9). In most other food items — be it cereals, sugar, pulses (barring *chana*) or edible oils — prices are flat or marginally higher compared with last year. Even milk prices have dipped since Diwali, though its benefits are currently being reaped only by dairies and not consumers.

Can one view the above easing of food price pressures (from the punitive 20 per cent-plus year-on-year increases of 2010) as the precursor to a lowering of overall inflation? After all, it was the persistently high food inflation that fed through the system into a rise in wages and, ultimately, prices in general. That being the case, would we now witness the same phenomenon working in the reverse, with obviously more benign consequences? The Reserve Bank of India(RBI) has always viewed food or fuel inflation as 'exogenous' phenomena outside the pale of monetary policy measures by which it can secure price stability. What the central bank can control is only the transmission of these into the rest of the system via a wage-price spiral. And that it does by hiking interest rates to restrain economic activity, so that wages and investment demand don't keep chasing prices in a vicious cycle, leading, in turn, to entrenched inflationary expectations.

There is certainly enough evidence of both growth and investment taking a huge hit in recent months, some of which is definitely attributable to the RBI's successive rate increases. There is no evidence of inflation, however, coming down because of monetary tightening. The RBI can, at best, argue that it would have been higher but for tightening. Whatever be the merits of such a proposition, it cannot be denied that the economy is today facing a real slowdown, even as the 'exogenous' pressure from food prices has subsided. The time is ripe, then, for a policy reversal.

(This article was published on December 29, 2011)

Mullaperiyar row continues to disrupt cardamom harvest

G. K. Nair

Lack of skilled labour; Bodi auctions remain suspended



Kochi, Dec. 29:

Cardamom auction that was to be held at Bodinayakannur on Thursday by Header Systems Ltd remained suspended on the apprehension of disruption in arrival of material due to the stoppage of traffic between Kumily and Cumbum, according to auction sources.

Though the auction was restored from Tuesday, movement of goods between the auction centre and the trading centre at Bodinayakannur has not yet become a smooth ride, trade sources in Bodi told *Business Line*.

However, some have managed to move the material via Shencottah to Bodi, they said.

They said the cardamom that arrived for auctions on Tuesday and Wednesday was of average quality and good quality colour capsules were bought by exporters who were holding pending orders from overseas markets.

According to them, 50-60 tonnes of cardamom were bought by the exporters and that kept the market buoyant. Upcountry dealers were also covering. They said the material arrived was harvested earlier and left without proper drying and was of average quality.

At the Tuesday auction, 102 tonnes of material arrived, of which, only 84.4 tonnes could be sold and the average price was at Rs 530.22 a kg.

However, on Wednesday, 73.4 tonnes of cardamom arrived and the entire quantity was sold out. Maximum price was at Rs 672 a kg and the average stood at 515.98 a kg.

There are three passages across the border with Tamil Nadu from Idukki and the main thoroughfare via Kumily continued to remain closed on the other side, trade sources in Kumily said.

The situation has not yet returned to normalcy and “we hope every thing will be normal in a week's time,” Mr P. C. Punnoose, General Manager, CPMC, told *Business Line*.

Harvesting continued to remain disrupted because of non-availability of skilled labour. It is being managed by available local workers and Tamil workers settled in the region, he said.

In the open market 8 mm bold colour capsules were being sold at Rs 800 a kg. The prices for graded varieties in rupees per kg in Bodi today were AGEB 625 – 640; AGB 550 – 560; AGS 525 – 530; AGS-1 510-515.

Total arrivals during the current season up to Dec. 28 stood at around 8,270 tonnes, against 4,150 tonnes in the same period the previous season.

Sales during the period were at around 7,828 tonnes and 3,995 tonnes, respectively. Weighted average price as on Dec. 28, 2011, was at around Rs 515 a kg, while that on the same day last year was at around Rs 1,175 a kg.

(This article was published in the Business Line print edition dated December 30, 2011)

Mixed trend in pepper

G. K. Nair



Kochi, Dec. 29:

A mixed trend was seen in pepper prices on Thursday with January contracts moving up marginally and February dropping on limited activities.

However, the total open interest increased, indicating additional purchases while the volume fell sharply.

Some exporters who have orders are said to have covered small quantities that pushed up prices of January and March contracts marginally.

Despite the positive open interest for February, prices dropped, market sources told *Business Line*.

January contract on the NCDEX moved up by Rs 25 to Rs 32,655 a quintal. February fell by Rs 195 a quintal to Rs 32,415, while March increased by Rs 125 to Rs 32,100 a quintal.

Total turnover decreased by 3,324 tonnes to 2,179 tonnes. Total open interest increased by 198 tonnes to 9,555 tonnes showing good purchases.

January, February and March open interest moved up by 47 tonnes, 64 tonnes and 39 tonnes respectively to close at 7,074 tonnes, 1,172 tonnes and 730 tonnes.

Spot prices remained unchanged at previous levels of Rs 31,900 (ungarbled) and Rs 33,400 (MG 1) a quintal on limited activities. The overseas market remained, by and large, closed and there were some fishing in the holiday markets.

All other origins are also inactive, trade sources said. The US and European markets are expected to become active from January 4 or 5, 2012, they said.

Indian parity was at around \$6,550 a tonne (c&f) for Europe and \$6,850 a tonne (c&f) for the US.

(This article was published in the Business Line print edition dated December 30, 2011)

Panic sales sap spot rubber

Our Correspondent

Kottayam, Dec. 29:

Physical rubber lost ground on Thursday.

The prices fell on an almost panic selling from dealers as the market moved down below the Rs 200 mark once again indicating the fundamental and technical weakness in the commodity.

Sheet rubber nosedived to Rs 195 (200) a kg, according to traders. The grade declined to Rs 198 (200.00) a kg both at Kottayam and Kochi, according to the Rubber Board.

The January series declined to Rs 199.60 (201.07), February to Rs 201.80 (203.51), and March to Rs 204.53 (206.88 a kg for RSS 4 on the National Multi Commodity Exchange.

RSS 3 (spot) weakened to Rs 179.25 (180.49) a kg at Bangkok. The January futures dropped to ¥ 247.6 (Rs. 169.87) from ¥ 253.0 a kg during on the Tokyo Commodity Exchange.

The spot rubber rates/kg were RSS-4: 195 (200); RSS-5: 192 (196); Ungraded: 183 (189); ISNR 20: 189(191) and Latex 60 per cent: 108 (110)

(This article was published in the Business Line print edition dated December 30, 2011)

Crystal Group buys Rohini Seeds

Our Bureau

Hyderabad, Dec. 29:

With a view to expand its inputs basket, agro-chemicals company Crystal Group has acquired Hyderabad-based Rohini Seeds. Crystal Group, with a turnover of Rs 800 crore, said this acquisition is part of its strategy to increase its turnover to about Rs 13,030 crore in the next five years. "With this buy, Crystal has an entire range of products and infrastructure including several commercial and hybrid seeds of various crops, seed processing plants, seed lab, research and development and breeding programmes," Mr Ankur Aggarwal, Managing Director of Delhi-based Crystal Group, said here in a statement. The total market of organised seeds business in India is pegged at Rs 8,000 crore. Though there are hundreds of small companies, this space is largely dominated by about 10 companies, including Rohini Seeds.

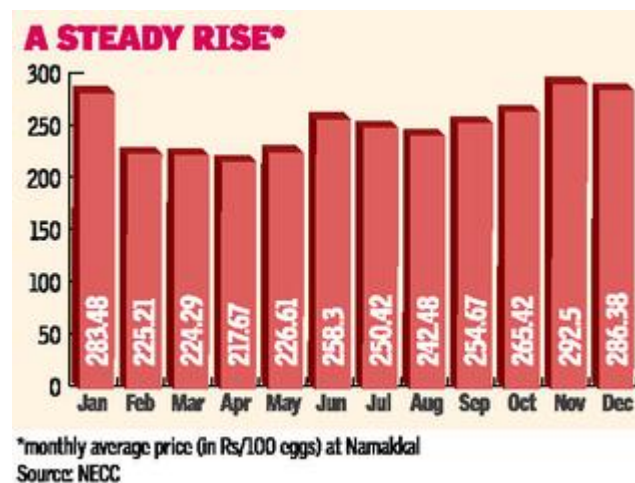
"We are poised for challenging times with vagaries of nature and shrinking landholdings and it is critical for the farmers to acquire the right inputs to get over these challenges. We will play a critical role in this," Mr Aggarwal said in his statement.

Promoters of Rohini Seeds were not accessible for comment.

kurmanath@thehindu.co.in

(This article was published in the Business Line print edition dated December 30, 2011)

Eggs on boil as weather turns cold



Chennai, Dec. 29:

The cold wave in the North and intensification of cyclone Thane in the South have put poultry prices on the boil as egg consumption leaps up.

The National Egg Coordination Committee (NECC), Namakkal zone, has hiked the price of egg to Rs 3.20 a piece from last week's Rs 3.13.

Mr P. Selvaraj, Zonal Chairman of the NECC, Tamil Nadu, told *Business Line* that the prevailing cold wave in North India is the main reason for the price hike as the seasonal market attracted an average 25 lakh eggs a day of Namakkal's average daily production of 2.75 crore eggs. Consumption of eggs usually goes up in winter. Besides, Christmas and New Year holidays have also boosted the consumption of poultry products.

But prices are still at their lowest in the South: at Rs 3.27 in Chennai, at Rs 3.20 in Bangalore, at Rs 3.20 in Mysore and at Rs 3.12 in Hyderabad; compared to Rs 3.39 in Mumbai, Rs 3.60 in Kolkata and Rs 3.40 in Delhi.

Industry sources said there is a consistent demand for eggs as rains have hurt supplies of vegetables. Eggs are gaining since it is seen as the only balanced diet at a lower price.

Going by the Met Department's prediction that the cold wave could extend for few more days, the industry foresees lesser possibilities of a drop in price. Meanwhile, the NECC has slashed the price for layer birds to Rs 41 a kg (Rs 43) while the Broiler Coordination Committee's rate for cull birds is down Rs 8 a kg to Rs 42 a kg. gayathri.gururajan@thehindu.co.in

(This article was published in the Business Line print edition dated December 30, 2011)

Edible oils unfazed by weak Malaysian cues



Mumbai, Dec. 29:

Most edible oils gained here despite crude palm oil (CPO) futures dropping on euro-zone debt concerns on the Bursa Malaysia Derivatives (BMD) Exchange on Thursday.

Palmolein rose by Re 1, soya refined and sunflower oil by Rs 5 each, rapeseed oil Rs 8 and cotton refined oil by Rs 11 for 10 kg. Liberty offered palmolein at Rs 604-606 for January delivery and at Rs 606-608 for February delivery, and super palmolein at Rs 625. Ruchi quoted palmolein at Rs 604-606 for January delivery and at Rs 605-507 for February delivery, soya refined oil at Rs 685 and sunflower refined oil at Rs 718.

Malaysia's BMD CPO's January contracts settled lower at MYR3,147 (MYR3,157) and February at MYR3,148 (MYR3,185) a tonne. Soya oil for January delivery was up at Rs 722 (Rs 723.20) and for February fell to Rs 717.70 (Rs 722) on the National Board of Trade in Indore.

Bombay Commodity Exchange spot rates (Rs/10 kg): groundnut oil — 985 (985), soya refined oil — 690 (685), sunflower exp. ref. — 665 (660), sunflower ref. — 725 (730), rapeseed ref. oil — 810 (802), rapeseed expeller ref. — 780 (772), cotton ref. oil — 659 (648) and palmolein — 602 (601).

(This article was published in the Business Line print edition dated December 30, 2011)

Soya solvent gains, refined oil drops

Our Correspondent



Indore, Dec. 29:

Soya solvent oil gained a little on Thursday at Rs 653-658 for 10 kg on scattered buying, including spot buying by Adani group, while there was no demand for it in delivery markets.

Soya refined declined to Rs 685-690 for 10 kg in absence of buying support at the higher price. Resellers sold soya refined at Rs 683-685 for 10 kg. In the futures market, soya oil witnessed

mixed trend. While January contracts of soya refined closed 40 paise higher at Rs 722.30 for 10 kg on the National Board of Trade, its January and February contracts were down 10 paise at Rs 721.90 and Rs 2.15 at Rs 717.95 on the National Commodity and Derivatives Exchange.

Soya seeds gained on buying support for soya de-oiled cake in foreign markets, even as arrival of soyabeans slightly improved at about 2 lakh bags (1.5 lakh on Wednesday) in Madhya Pradesh. Soyabean fetched Rs 2,370-2,430 a quintal, up Rs 20-25. In Indore *mandis*, soyabean sold at Rs 2,370-2,450 a quintal amid arrival of 7,500 bags. In Ujjain and Dewas 8,000 and 15,000 bags of soyabeans arrived. Plant deliveries of soyabean gained at Rs 2,485-2,510 a quintal on demand from crushers. Improved foreign demand also perked up soya de-oiled cake in the Kandla port at Rs 18,200-300 a quintal.

(This article was published in the Business Line print edition dated December 30, 2011)

Sugar may gain on lower sale quota

Our Correspondent



Mumbai, Dec. 29:

Sugar prices ruled flat across the country on Thursday but are set to increase as the Centre has announced a lower sale quota for January. The Centre has allowed sale of 14 lakh tonnes in the open market, one lakh tonnes of unsold quota this month and 2.16 lakh tonnes through the public distribution system.

“There was virtually no trade as the sale quota was awaited. But price could rise by Rs 50-100 a quintal at the beginning of trade tomorrow,” said a trading source from Uttar Pradesh.

In central Uttar Pradesh, prices remained unchanged at Rs 2,940 for sugar produced this season starting October and rs 2,840 for old one.

In Maharashtra's Vashi wholesale market, prices increased marginally by Re 1-Rs 5 in physical market while naka rates rule unchanged.

A higher volume was witnessed in Maharashtra's mills compared with the previous day as local stockists began covering for January.

A leading wholesaler said that in physical market prices were range- bound due to absence of any cues and need-based local demand. From next week, the market may see some improvement in demand. On Wednesday, about 17–18 mills offered tender and sold about 55,000 – 60,000 bags in the range of Rs 2,770-2,830 (Rs 2,770-2,830) for S-grade and Rs 2,860-2,930 (Rs 2,860-2,930) for M-grade. Arrivals in Vashi market were at 54-55 truckloads and local dispatches were around 50-51 truckloads. Local freight rates were unchanged.

The Bombay Sugar Merchants Association's spot rates: S-grade Rs 2,922-3,000 (Rs 2,921-3,000) and M-grade Rs 3,006- 3,100 (Rs 3,001-3,102). **Naka delivery rates:** S-grade Rs 2,870-2,910 (Rs 2,870-2,910) and M-grade Rs 2,970-3,020 (Rs 2,970-3,020).

(This article was published in the Business Line print edition dated December 30, 2011)

Turmeric glitters on bulk orders from North

Our Correspondent



Erode, Dec. 29:

Spot turmeric prices increased by Rs 200 a quintal on Thursday as bulk buyers from northern States placed new orders.

“Traders have received fresh orders from Delhi, Gujarat, Orissa, Kolkata, Bihar and Madhya Pradesh. So, they are quoting a higher price. The fine variety turmeric is being sent to Delhi, Orissa, Gujarat, Kolkata and the medium and low quality are being dispatched to Bihar and Chhattisgarh,” said Mr R.K.V. Ravishankar, President, Erode Turmeric Merchants Association.

He said after six months, over 2,000 bags arrived for sale in the Regulated Marketing Committee. Such a huge arrival, especially of good quality, was due to an increase in prices on Wednesday. In the Regulated Market, 85 per cent of the offer was sold.

On Thursday, over 12,500 bags of turmeric arrived for sale. Sales at the Gobichettipalayam Cooperative Marketing Society and in Erode Cooperative Marketing Society were very encouraging. Overall, sales touched about 60 per cent.

In view of encouraging sales, some farmers have decided to bring more quantity on Friday. Traders said if heavy stocks arrive for sale, prices will drop.

Traders expect that from the second week of January, new Number 8 variety turmeric will arrive for sale and by the end of February, the Mysore variety will arrive for sale. Kerala traders prefer the Mysore variety turmeric and have placed huge orders. But this year, due to the Mullaperiyar issue, no Kerala trader is buying any stock now. .

Salem Crop: The finger variety was sold at Rs 3,874-5,434, the root variety at Rs 3,763-4,515. Totally, 2,437 bags of turmeric arrived for sale and 710 were sold.

(This article was published in the Business Line print edition dated December 30, 2011)

Wheat stays firm as stocks dwindle



Karnal, Dec. 29:

Even after the Food Corporation of India allotted 28,000 tonnes of wheat for the below poverty line and above poverty line card holders in Haryana for January 2012, the market has continued to rule firm.

Mr Sewa Ram, a wheat trader, told *Business Line* that the market witnessed a steady trend on Thursday. The *dara* variety ruled firm even after the announcement of the release of stock. Low availability kept the *desi* wheat varieties firm, he added.

In the physical market, around 65 tonnes of the *dara* variety arrived from Uttar Pradesh and stocks were directly offloaded at the mills. Mill delivery was at Rs 1,165-1,175 a quintal, while delivery at the *chakki* was at Rs 1,180 a quintal.

Dara prices have been ruling between Rs 1,140 and Rs 1,180 since December 1. Traders expect that prices may decrease in the near future.

Stocks of the *desi* wheat varieties are very low — even the tohfa variety is out of stock at present, said Mr Sewa Ram.

Samrat was quoted at Rs 1,880-1,885, while Red Rose was trading at Rs 2,200 a quintal.

On the National Commodity and Derivatives Exchange, wheat for January delivery increased by Rs 13 to Rs 1,203 quintal after touching a high at Rs 1,207 a quintal earlier in the day.

NCDEX January wheat futures are likely to trade in the range of Rs 1,185-1,225 a quintal in the near term.

Flour prices: With a steady trend in wheat, flour prices ruled flat and sold at Rs 1,165-1,175 for a 90-kg bag. After witnessing an uptrend earlier this week, Chokar prices remained unchanged and sold at Rs 650-660 for a 49-kg bag.

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