

### Wheat Domestic Fundamentals:

- Wheat cash and future market remained almost stable to weak in lack of any positive cue from the market. Trading activities were seen comparatively lackluster on holiday mood.
- Govt. may allow wheat export with a condition of FCI economic cost without freight subsidy. This will reduce chances of export as FCI economic cost comes to Rs 1503 per qtl. Export through private channel is possible, if allowed, to some extent from Rajasthan, M.P. and Gujarat if international market continues to go up.
- Wheat stock as on 1<sup>st</sup> August pegged at 358.75 lakh T in central pool, higher than required buffer norm of 171 lakh T and 30 lakh T.

### Wheat International Fundamental:

- Russia is offering wheat at the rate of \$261 per ton while US offering is \$ 265 to 266 per T for soft red winter wheat. At the beginning of July Russian wheat was almost \$30 per T cheaper than US wheat. Now the gap has reduced to \$4 to 5 per T.
- World market is likely to remain bearish for short term on increased production forecast by IGC. IGC has pegged world wheat production at 674 million tonnes, almost 80 million tonnes higher than previous estimates.

### Outlook: Domestic:

- Wheat prices are likely to be directed by govt. policy and allocation mechanism and price. Overall sentiment is bearish.

#### NCDEX Wheat Futures

Contract	+/-	Open	High	Low	Close
Aug-11	-12.60	1154	1154	1136	1137.60
Sep-11	-11.60	1174	1174	1161	1162.80
Oct-11	-16.60	1197.20	1197.20	1184	1186.40
Nov-11	-10.80	1210	1218	1210	1214.80
Dec-11	-12.00	1236	1238	1236	1238.00

Contracts	Volume	Change	OI	Change
Aug-11	3100	-190	21300	-1120
Sep-11	5010	1590	24025	-830
Oct-11	1600	900	7240	240
Nov-11	340	-90	2030	330

#### CBOT Wheat Futures: CBOT prices will be updated tomorrow by 9.30am

Contract	+/-	Open	High	Low	Close
Sep-11	+16.25	682.50	722.75	680	701.25
Dec-11	+13.25	616.75	751.25	714	733.00
Mar-12	+14.50	751.25	785.75	749.50	769.75
May-12	+15.00	768.75	800.25	768.50	788.25
July-12	+14.50	772.75	804.25	772.50	791.25

Spread	Aug-11	Sep-11	Oct-11	Nov-11
Spot	25	-0.8	-28	-50.2
Aug-11		25.8	53	75.2
Sept.-11	-25.8	-	27.2	49.4
Oct.-11	-53.3	-27.2	-	22.2
Nov-11	-75.2	-49.4	-22.2	-

Stocks	Demat	In-Process	Total	FED
	11.08.11	11.08.11	11.08.11	08.08.11
Rajkot	3523	00	3523	2821
Kota	31469	244	32713	448
Shajahapur	1392	0	1392	1194
Kanpur	2086	0	2015	913

**Wheat Prices at Key Spot Markets:**

Centre	Market	Variety	Prices (Rs/Qtl)		Change
Delhi			12-8-2011	11-8-2011	Change
	Lawrence Road	Mill Quality	1175-1180	1180-1185	-5
	Narela	Mill Delivery Loose	-	1120-1125	-
	Nazafgarh	Mill Delivery Loose	1135-1140	1130	+10
Gujarat	Rajkot	Mill Delivery	-	1100	-
	Ahmadabad	Mill Delivery	-	1140	-
M.P.	Bhopal	Mill Quality Loose (Lokwan)	1150-1175	1200	-25
	Indore	Mill Delivery	1145-1150	1180	-30
Rajasthan	Kota	Mill Quality	1010-1020	1010-1020	Unch
U.P.	Kanpur	Mill Delivery	1115	1110	+5
Punjab	Khanna	Mill Quality Loose	1125	1125	Unch
Haryana	Karnal	Mill Quality	-	-	-
	Sirsa	Mill Delivery loose	1110	1105	+5
	palwal	Mill Quality Loose	-	1100	
	Panipat	Mill Quality Loose	-	-	-

### Wheat Arrivals in Key Centers

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			12-8-2011	11-8-2011	Change
	Lawrence Road	Mill Quality	8000	10000	-2000
	Narela	Mill Delivery Loose	-	500	-
	Nazafgarh	Mill Delivery Loose	400	300	+100
Gujarat	Rajkot	Mill Delivery	-	4000	-
	Ahmadabad	Mill Delivery	-	-	-
M.P.	Bhopal	Mill Quality Loose (Lokwan)	300	-	-
	Indore	Mill Delievery	2000	3000	-1000
Rajasthan	Kota	Mill Quality	3000	3000	Unch
U.P.	Kanpur	Mill Delivery	500	400	+100
Punjab	Khanna	Mill Quality Loose	200	200	Unch
	Sirsa	Mill Delivery loose	100	200	-100
	Rewari	Mill Quality Loose	-	-	-
	Panipat	Mill Quality Loose	-	-	-

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