

Wheat Domestic Fundamentals:

- Domestic wheat market is likely to trade steady at current level as availability in cash market/private hands is depleting fast due to increased off take from domestic millers/exporters.
- Allocation for OMSS/millers is not sufficient to pacify the additional emerging demand from exporters amid short supply in cash market. Production of wheat increased by 7.53 percent over last year while procurement increased by 25.6 percent this year from 868.3 lakh T to 939 lakh T. Last year the share of govt.'s procurement in total production registered at 32.63 percent, this year it goes up to 40.56 percent on back of higher MSP supported by bumper production.
- Thus with the end of procurement season and exporter's active buying from cash market created a short supply like situation and prices started surging. Millers are now totally dependent on govt's stock as marketable surplus for bulk buying is not available in cash market. Allocation is not sufficient to fulfill daily requirements of flour millers. So prices in domestic market are unlikely to decrease until additional allocation is provided. Export from govt's stock will continue however quantity may be restricted. The following table shows the status of wheat in India. We have taken data on the basis of crop year for production and procurement data is basically for MY

Wheat International Fundamental:

- CBOT Sep wheat future traded lower in recent days. Even Kansas City and Minneapolis wheat are following Chicago lower. Comments made by Russian government officials recently regarding adequate domestic wheat supplies has triggered profit taking by funds in Chicago wheat. Outside markets traded weaker after Chinese and Euro zone PMI data disappointed investors.

Domestic market Outlook: Wheat markets sentiments depends on government decision over export to continue through private channel or not.

NCDEX Wheat Futures

Contract	+/-	Open	High	Low	Close
Aug-12	10.00	1382.00	1410.00	1382.00	1400.00
Sept-12	-11.00	1422.00	1427.00	1412.00	1417.00
Oct-12	-15.00	1455.00	1458.00	1444.00	1446.00
Nov-12	-20.00	1492.00	1492.00	1480.00	1480.00

Spread	August-12	Sept-12	Oct-12	Nov-12
Spot	-10			
Aug-12		17		
Sept-12			29	
Oct-12				34

Spread=Spot (Lawrence Road –Future (Near Month)

Contracts	Volume	Change	OI	Change
August-12	4,180	3850	5630	-980
Sept12	10,610	1740	24420	-350
Oct 12	1,320	-910	8470	460
Nov-12	510	-340	2840	10

CBOT Wheat Futures: Date: 06.08.2012

Contract	+/-	Open	High	Low	Close
Sep-12	+2.00	883.25	897.25	876.75	893.25
Dec-12	+2.50	895.50	909.75	889.50	906.25
Mar-13	+6.25	899.25	914.50	892.50	911.25
May-13	+10.50	870.25	894.25	870.25	891.50
Jul-13	+7.25	848.00	857.75	837.75	855.50

Stocks	Demat	In-Process	Total	FED
	06.8.12	06.8.12	06.7.12	06.8.12
Delhi	938	0	938	147
Itarsi	98	0	98	98
Kanpur	2656	0	2656	1131
Kota	247	0	247	50
Total	3939	0	3939	1426

Wheat Prices at Key Spot Markets:

Centre	Market	Variety	Prices (Rs/Qtl)		Change
Delhi			7-8-2012	6-8-2012	
	Lawrence Road	Mill Quality	1410	1400	+10
	Narella	Mill Delivery Loose	1320-1325	1320-1325	Unch
	Najafgarh	Mill Delivery Loose	1360-1375	1350-1380	-5
Gujarat	Rajkot	Mill Delivery	1560	1575	-15
	Ahmedabad	Mill Delivery	1680	1700	-20
M.P.	Bhopal	Mill Quality Loose (Lokwan Price)	1450	-	-
	Indore	Mill Delievery	1510	1510	Unch
Rajasthan	Kota	Mill Quality	1480-1490	-	-
U.P.	Kanpur	Mill Delivery	1475	1465-1470	+5
Punjab	Khanna	Mill Quality Loose	1250	1240	+10
Haryana	Karnal	Mill Quality	-	-	-
	Sirsa	Mill Delivery loose	1375	1370	+5
	Palwal	Mill Quality Loose	1350	1360	-10
	Panipat	Mill Quality Loose	1285	1285	Unch
	Hodal	Mill Quality loose	1340	1340	Unch
FOR	Kandla(Rajastha n-Kota)	Mill Quality	1575	-	-
	Gandhidham(Ra jasthan-Kota)	Mill Quality	1575	-	-

Wheat Arrivals in Key Centers

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			7-8-2012	6-8-2012	
	Lawrence Road	Mill Quality	6000	3000	+3000
	Narella	Mill Delivery Loose	500	1500	-1000
	Nazafgarh	Mill Delivery Loose	300	400	-100
Gujarat	Rajkot	Mill Delivery	-	-	-
	Ahmadabad	Mill Delivery	-	-	-
M.P.	Bhopal	Mill Quality Loose (Lokwan Price)	-	-	-
	Indore	Mill Delivery	-	-	-
Rajasthan	Kota	Mill Quality	7000	-	-
U.P.	Kanpur	Mill Delivery	-	-	-
Punjab	Khanna	Mill Quality Loose	400	400	Unch
Haryana	Karnal	Mill Delivery Loose	-	-	-
	Sirsa	Mill Quality Loose	200	500	-300
	Panipat	Mill Quality Loose	-	-	-
	Palwal	Mill Quality Loose	50	100	-50
	Hodal	Mill Delivery loose	200	100	+100

Wheat Product Price

Wheat Products Delhi	7-8-2012	6-8-2012	Change
Atta (50kg) Ordinary	740	740	Unch
Maida Grade 1 (90kg)	1743	1743	Unch
Maida Grade 1 (50KG)	950	950	Unch
Suji (50kg)	1000	1000	Unch
Chokar (50 kg)	556	556	Unch
Chokar (34 kg)	364	364	Unch
chakki Atta (50kg)	785	785	Unch
Chakki Atta (50kg) Special	820	820	Unch
Chakki Atta (90kg) Superfine	1519	1519	Unch
Chakki Atta (50kg) Superfine	825	825	Unch

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