

Wheat Domestic Fundamentals:

- Wheat prices continue to move up in major domestic markets due to better export demand, lower availability in cash markets and local demands due to continuous festivals despite some downward correction due to uncertainty over export through private channel prevailed last week in the domestic market.
- Export through private channel is likely to speed up in the months ahead as international market is expected to continue it's up trends on lower production prospects throughout the world except India.
- Indian wheat remains competitive even from Russia, the cheapest source of wheat at present. Export through private channel is likely to continue as global wheat quotes are in favour of India. Exporters are sourcing wheat from cash market around Rs 1500 per qtl. Above given table shows the FOB cost sourced from various centers. We have calculated here FOB cost at Kandla from Punjab on MSP and on economic cost too. However, freight may vary from place to place up to the Kandla port.

Wheat International Fundamental:

- Grain prices have driven the overall rise. The US corn crop is in a state of disaster, with more than half of all US acreage listed in poor or very poor condition due to a record-breaking drought. Under a parallel drought, Russia downgraded its wheat crop by several million tons. The USDA estimates that inventories of corn, wheat, soybeans, and rice will be reduced to 2008 levels next year. Wheat inventories are projected to down by 7.5 percent. Overall situation on global wheat front seems to be heading towards rally in medium and long term.
- Wheat production in Russia is set to fall by 20 percent this year. The Australian wheat crop, stunted by repeated frosts and poor weather, may yield 40 percent less than initial projections. India's agricultural region too suffered a monsoon season providing 22 percent less rainfall than average, resulting in a 7.8 million ton loss in the global rice crop. The FAO also reduced rice production forecasts for Cambodia, Taiwan, North and South Korea, and Nepal. All these developments hint bullish trend for rice wheat and corn in the months ahead.

Domestic market Outlook: Wheat cash market is likely to trade in the range bound.

NCDEX Wheat Futures

Contract	+/-	Open	High	Low	Close
Aug-12	20	1410	1430	1410	1420
Sept-12	17	1382	1397	1378	1393
Oct-12	14	1410	1425	1405	1420
Nov-12	7	1438	1456	1437	1447

CBOT Wheat Futures: Date: 15.08.2012

Contract	+/-	Open	High	Low	Close
Sep-12	+7.00	840.00	850.75	840.00	846.75
Dec-12	+8.00	859.00	870.00	858.50	866.25
Mar-13	+8.50	870.00	878.25	867.50	876.00
May-13	+0.25	864.25	867.25	856.50	859.25
Jul-13	-6.50	827.00	835.25	816.50	820.75

Spread	August-12	Sept-12	Oct-12	Nov-12
Spot	20			
Aug-12		-27		
Sept-12			27	
Oct-12				27

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

Contracts	Volume	Change	OI	Change
August-12	460	0	2810	-450
Sept12	7,260	-2510	25340	-340
Oct 12	2,920	1290	8530	80
Nov-12	890	630	2650	150

Stocks	Demat	In-Process	Total	FED
	14.8.12	14.8.12	14.8.12	13.8.12
Delhi	1391	0	1391	147
Itarsi	719	0	719	99
Kanpur	2565	0	2565	152
Kota	247	0	247	197
Total	4469	0	4921	595

Wheat Prices at Key Spot Markets:

Centre	Market	Variety	Prices (Rs/Qtl)		Change
Delhi			16-8-2012	14-8-2012	
	Lawrence Road	Mill Quality	1435-1440	1430-1435	+5
	Narella	Mill Delivery Loose	1330-1335	1320	+15
	Najafgarh	Mill Delivery Loose	1360-1372	1360-1375	-3
Gujarat	Rajkot	Mill Delivery	1565	Closed	-
	Ahmedabad	Mill Delivery	1570	Closed	-
M.P.	Bhopal	Mill Quality Loose (Lokwan Price)	1450-1500	1450	+50
	Indore	Mill Delievery	1510	1500	+10
Rajasthan	Kota	Mill Quality	-	1450	-
U.P.	Kanpur	Mill Delivery	1405-1410	1425	-15
Punjab	Khanna	Mill Quality Loose	1260	1255	+5
Haryana	Karnal	Mill Quality	-	-	-
	Sirsa	Mill Delivery loose	1370-1375	1370	+5
	Palwal	Mill Quality Loose	1355	-	-
	Panipat	Mill Quality Loose	-	1285	Unch
	Hodal	Mill Quality loose	1350	1330	+20
FOR	Kandla(Rajasthan-Kota)	Mill Quality	-	1550	-
	Gandhidham(Rajasthan-Kota)	Mill Quality	-	1550	-

Wheat Arrivals in Key Centers

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			16-8-2012	14-8-2012	
Delhi					
	Lawrence Road	Mill Quality	7000	5000	+2000
	Narella	Mill Delivery Loose	400	700	-300
	Nazafgarh	Mill Delivery Loose	400	300	+100
Gujarat	Rajkot	Mill Delivery	-	-	-
	Ahmadabad	Mill Delivery	-	-	-
M.P.	Bhopal	Mill Quality Loose (Lokwan Price)	-	-	-
	Indore	Mill Delivery	-	-	-
Rajasthan	Kota	Mill Quality	-	4000	-
U.P.	Kanpur	Mill Delivery	-	-	-
Punjab	Khanna	Mill Quality Loose	300	400	-100
Haryana	Karnal	Mill Delivery Loose	-	-	-
	Sirsa	Mill Quality Loose	200	200	Unch
	Panipat	Mill Quality Loose	-	-	-
	Palwal	Mill Quality Loose	150	-	-
	Hodal	Mill Delivery loose	200	100	+100

Wheat Product Price

Wheat Products Delhi	16-8-2012	14-8-2012	Change
Atta (50kg) Ordinary	750	750	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)	346	349	-3
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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