

Wheat Daily Report

3rd May 2013

Wheat Domestic Fundamentals:

- Domestic market traded steady to weak. Wheat harvesting will be completed in a week in major wheat growing regions.
- Increasing arrival from newly harvest crop is restricting uptrend despite considerable crop loss report. Despite higher pace of procurement this year as compared to last year, overall procurement is expected to dip as private traders are active in buying new crop.
- Rajasthan traders are buying lokwan-1 wheat at Rs 1500/Q, loose and stocking it. Rakes are being loaded from Rajasthan to various destinations in South India for Rs 1850-1900/Q at delivered basis. Yield loss has been reported in major wheat growing states varying from 5-15%.
- Centre has procured around 17.2 million tonnes of wheat so far in this season, which is almost 12.5% higher year on year basis. 7.5 million Tonnes have been procured in Punjab, 4.2 million tonnes in M.P and 4.7 million tonnes in Haryana. Sangrur district in Punjab has been leading wheat procurement district with 8.2 lakh tonnes wheat procured so far.
- Private traders and Millers are aggressively buying wheat in Punjab and Haryana as mill delivered price is around Rs 1480-1500/Q, but if Wheat is purchased from U.P basic cost is Rs 1330/Q plus all taxes@ 8%, Gunny bags and Transportation (Extra) total cost comes around Rs 1580-1600/Q on Mill delivered basis, that's why Millers and Private traders are building inventories in Punjab and Haryana.
- Wheat procurement target in M.P are unlikely to be met. Firstly crop is estimated at 12-13 million tonnes as crop was affected by erratic weather and Secondly as exports are open, traders are buying aggressively and farmers too are holding some crop in anticipation of higher prices. So far 3.7 million tonnes has been procured in M.P and it seems 8-9 million tonnes can be procured in this season.
- According to traders and farmers Wheat production is likely to dip by 6 to 7 percent this year due to small grain size and lower yield. Farmers from Punjab, Haryana, Rajasthan, Uttar Pradesh, and Madhya Pradesh have reported lower yield varying from 5 to 8 percent.

International Market Update:

- Jordan State buying agency has bought 50,000 MT wheat from Glencore of any origin to be delivered by Late August at USD 302.50/T, CNF. Other rejected bids were Bunge USD 311/T, AL Ghurair 318.50/T, Toepher 319.85 and Olam 318.80/T. Jordan state agency has made no purchase in previous tenders of April 17, April 11, April 3 and Mar 27 as they expected prices to fall.
- South Korean firm CheilJedang Corp has bought 48,900 MT of US origins, several types' wheat from Bunge in two consignments to be shipped by 31 July. Around 15,200 MT of soft wheat has been bought at USD 291.52-295.54/T. CNF.

Domestic market Outlook:

Domestic market remains Steady to firm in near term.

NCDEX Wheat Futures									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
May-13	8	1,478	1,494	1,476	1,486	1,540	610	9,920	-240
June-13	9	1,503	1,520	1,503	1,511	4,370	2,590	22,730	1,260
July-13	-	-	-	-	-	-	-	-	-



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Spread	May-13	Jun-13	July-13	Aug-13
Spot	-26			
May-13		25		
June-13			-	
July-13				-

Stocks	Demat	In- Process	Total	FED
	30/4/2013	30/4/2013	30/4/2013	30/4/2013
Delhi	ı	445	445	ı
Itarsi	508	0	508	508
Kanpur	52	0	52	52
Kota	2375	0	2375	2375

CBOT Wheat Futures: Date: 01.05.2013

Contract	Open	High	Low	Close	+/-
May-13	722.25	722.25	705.00	710.50	-11.25
Jul-13	732.25	732.25	713.25	721.00	-10.00
Sep-13	741.25	741.25	722.75	730.50	-9.75
Dec-13	754.75	754.75	737.00	754.00	-8.75
Mar-14	767.00	767.00	751.75	758.25	-8.50
May-14	769.75	770.00	756.00	761.75	-8.25

(Fig. in Bushels/Cent)

Wheat Daily prices and Arrival

Centre	Market	Variety	Prices ((Rs/Qtl)	Change
			2-5-2013	1-5-2013	
Delhi	Lawrence Road	Mill Delivery	1460	1460	Unch
Denn	Nazafgarh	Mill Quality Loose	-	-	-
	Narella	Mill Quality Loose	1420	-	-
	Rajkot	Mill Delivery	1550	1565	-15
Gujarat	Ahmedabad	Mill Delivery	1600	1615	-15
	Surat	Mill Delivery		1625	-5
M.P.	Bhopal	Lokwan	1625	1600	25
MI.P.	Indore	Mill Delivery	1520	1520	Unch
Rajasthan	Kota	Mill Delivery	-	1550	-
	Kanpur	Mill Delivery	1460	1450	10
U.P.	Mathura	Mill Quality Loose	1370	1350	20
	Kosi	Mill Delivery		1520	Unch
Duniah	Khanna	Mill Quality Loose	1350	1370	-20
Punjab	(Ludhiana)Jagraon	Mill Delivery	1480	1480	Unch
	Sirsa	Mill Delivery loose	1350	1350	Unch
Howyone	Hodal	Mill Delivery	1480	1480	Unch
Haryana	Panipat	Mill Quality Loose	1350	1350	Unch
	Karnal	Mill Quality Loose	1350	1350	Unch
Tamil Nadu	Chennai	Mill Quality	-	1835	-
Taiiiii Nadu	Madurai	Mill Quality	_	1885	-



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	Coimbatore	Mill Quality	-	1885	-
Chattisgah	Raipur	Mill Quality	1525	1525	Unch
Bihar	Begusarai	Mill Quality	1365	1365	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality	-	1600	-
FUK	Gandhidham(Rajasthan-Kota)	Mill Quality	-	1600	-

Centre	Market	Variety	Arrivals (Bags/Qtl)	Change
			2-5-2013	1-5-2013	
Delhi	Lawrence Road	Mill Delivery	10000	7000	3000
Demi	Nazafgarh	Mill Quality Loose	-	-	-
	Narella	Mill Quality Loose	4000	-	-
Gujarat	Rajkot	Mill Delivery	-	-	-
Gujarat	Ahmadabad	Mill Delivery	2-5-2013 1-5-2 10000 700	-	-
M D	Bhopal	Lokwan	-	-	-
M.P.	Indore	Mill Delivery		-	
Rajasthan	Kota	Mill Quality	-	40000	-
U.P.	Kanpur	Mill Delivery	900	500	400
Punjab	Khanna	Mill Quality Loose	40000	50000	-10000
	Sirsa	Mill Quality Loose	10000	15000	-5000
However	Hodal	Mill Quality Loose	2000	2000	Unch
Haryana	Panipat	Mill Quality Loose	20000	25000	-5000
	Karnal	Mill Quality Loose	2000	10000	-8000

Wheat Products Delhi	2-5-2013	1-5-2013	Change
Atta (50kg) Ordinary	865	865	Unch
Maida Grade 1 (90kg)	1887	1887	Unch
Maida Grade 1 (50KG)	1030	1030	Unch
Suji (50kg)	1105	1105	Unch
Chokar (50 kg)	645	645	Unch
Chokar (34 kg)	396	396	Unch
Chakki Atta (50kg)	910	910	Unch
Chakki Atta (50kg) Special	935	935	Unch
Chakki Atta (90kg) Superfine	1726	1726	Unch
Chakki Atta (50kg) Superfine	940	940	Unch

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