AW AGRIWATCH

Wheat Daily Report

6th May 2013

Wheat Domestic Fundamentals:

- With increasing arrivals in various markets wheat traded under pressure in cash market despite lower
 production estimate this year. Exporters are in wait and watch mood due to uncertain price outlook
 both in domestic and international market. However, any unexpected decrease from current level is
 unlikely.
- Slower pace of procurement (except Punjab, Haryana and M.P.) signals lower procurement quantity this year. Wheat Procured by government agencies in this season in U.P is around 220,000 tonnes which is much lower than last year's 510,000 tonnes at the same time.
- 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%.
- 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.

International Market Update:

- Australian eastern grain belt is suffering from dry weather condition and planting has been delayed. Australian wheat prices are firm as farmers are reluctant to sell wheat at current price as they anticipate higher prices. Australia needs significant rains to evade yield loss.
- Corn Prices are expected to rise in International Future market as only 6% corn has been planted against 40% last year during the same period. Demand for Feed Wheat might rise, pushing wheat prices north.
- Pakistan may miss the target of 26 million tonnes wheat production as it is expected to produce around 25 million tonnes this year.
- 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.

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	0	1484	1493	1391	1397	2610	150	16470	7,550
June-13	-1	1402	1522	1401	1406	1510	-240	8860	-14,110
July-13	-	-	-	-	-	-	-	-	-



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Spread	May-13	Jun-13	July-13	Aug-13
Spot	-68			
May-13		9		
June-13			-	
July-13				-

Stocks	Demat	In- Process	Total	FED
	3.5.2013	3.5.2013	3.5.2013	30.4.201
Delhi	-	1139	1139	-
Itarsi	508	0	508	508
Kanpur	52	0	52	52
Kota	2375	0	2375	2375

Wheat (CBOT) On 3.5.2013

13-May	718.75	722.75	711.25	711.25	-7.50
13-Jul	727.50	735.00	716.50	721.00	-7.50
13-Sep	737.00	744.00	726.25	730.50	-7.50
13-Dec	752.00	758.25	740.50	745.25	-7.00
14-Mar	765.75	770.50	753.50	758.50	-7.00
14-May	769.50	773.75	755.50	762.00	-6.75

Wheat Daily Prices and Arrivals on 4.5.2013

Centre	Market	Variety	Prices ((Rs/Qtl)	Change
			4-5-2013	3-5-2013	
Delhi —	Lawrence Road	Mill Delivery	1465	1470	-5
Denn	Nazafgarh	Mill Quality Loose	1450	1450	Unch
	Narella	Mill Quality Loose	1430	1435	-5
	Rajkot	Mill Delivery	1560	1560	Unch
Gujarat	Ahmedabad	Mill Delivery	1610	1610	Unch
	Surat	Mill Delivery	1625 1650 1530 1445	1625	Unch
м.Р.	Bhopal	Lokwan	1650	1620	30
M.P.	Indore	Mill Delivery	1530	1520	10
Rajasthan	Kota	Mill Quality Loose	1445	1445	Unch
Kajastiiaii	Nota	Mill Delivery	1550	1550	Unch
	Kanpur	Mill Delivery	1460	1460	Unch
U.P.	Mathura	Mill Quality Loose	1390	1390	Unch
	Kosi	Mill Delivery	1520	1520	Unch
Duniah	Khanna	Mill Quality Loose	1355	1350	5
Punjab —	(Ludhiana)Jagraon	Mill Delivery	1480	1480	Unch
	Sirsa	Mill Delivery loose	1350	1350	Unch
Цануора	Hodal	Mill Delivery	1520	1500	20
Haryana —	Panipat	Mill Quality Loose	1350	1350	Unch
	Karnal	Mill Quality Loose	1350	1350	Unch
Tamil Nadu	Chennai	Mill Quality	1845	1845	Unch
Taillii Nauu	Madurai	Mill Quality	1895	1895	Unch



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	Coimbatore	Mill Quality	1895	1895	Unch
Chattisgah	Raipur	Mill Quality	1525	1525	Unch
Bihar	Begusarai	Mill Quality	1365	1365	Unch
EOD	Kandla(Rajasthan-Kota)	Mill Quality	1611	1600	11
FOR	Gandhidham(Rajasthan-Kota)	Mill Quality	1611	1600	11

Centre	Market	Variety	Arrivals (Bags/Qtl)	Change
			4-5-2013	3-5-2013	
Delhi	Lawrence Road	Mill Delivery	11000	8000	3000
Denn	Nazafgarh	Mill Quality Loose	400	1000	-600
	Narella	Mill Quality Loose	2500	3000	-500
Gujarat	Rajkot	Mill Delivery	-	-	-
Gujarat	Ahmadabad	Mill Delivery	-	-	-
MD	Bhopal	Lokwan	-	-	-
M.P.	Indore	Mill Delivery	-	-	-
Rajasthan	Kota	Mill Quality	25000	40000	-15000
U.P.	Kanpur	Mill Delivery	600	800	-200
Punjab	Khanna	Mill Quality Loose	25000	35000	-10000
	Sirsa	Mill Quality Loose	10000	10000	Unch
Howsons	Hodal	Mill Quality Loose	2000	2000	Unch
Haryana	Panipat	Mill Quality Loose	10000	10000	Unch
	Karnal	Mill Quality Loose	5000	3000	2000

Wheat Products Delhi	4-5-2013	3-5-2013	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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