

Wheat Daily Report

21st May 2013

Wheat Domestic Fundamentals:

- Domestic wheat market is trading firm due demand from millers and traders. Arrivals has been declining as farmers are expecting better prices and lower production estimate of around 88.2 million tonnes as compared to previous year's 94.88 million tonnes.
- Revised wheat procurement target of 33 million tonnes by government is unlikely to be met according to traders and analyst as Punjab and Haryana has procured around 16 million tonnes against the combined target of 23 million tonnes. Other key contributor U.P, Bihar and Rajasthan are also lagging behind. It is expected that this year's procurement will be around 28 million tonnes as compared to 38.1 million tonnes last year. However supply will remain ample owing to higher carryover stocks.
- South Indian Millers are buying more from U.P and Bihar, where prices have risen due to strong demand. It seems likely that South Indian Miller will start getting parity from M.P and Rajasthan if prices continue to rise in U.P and Bihar according to traders.
- In Bangalore, wheat is arriving from Naveda Bihar, at Rs 1780/Q, mill delivered and in Hassan district Mill Delivered wheat is ruling around Rs 1800/Q.
- As on 14th May 2013, government agencies have procured 24.1 million tonnes wheat as compared to previous year's 29.29 million tonnes. Procurement is lagging behind in all major producing states except M.P as state government has announced bonus over MSP. Analyst and traders are now forecasting government's procurement in this season around 29 million tonnes.
- Wheat inflation fell to 13.89% in April from 19.87% in March, which is lowest in last 8 months. WPI has fallen from 206.3 in March to 204.2 in April as new crop arrival dragged wheat towards south.
- Wheat market remains steady to slightly firm on local millers demand. Flour millers in Bangalore are sourcing wheat from Etta, Kanpur and Mainpuri by truck almost 25 lorry are arriving everyday at the rate of Rs 1780,Rs 1785 and Rs 1785 per qtl respectively delivered at mill.

International Market Update:

- Russian IKAR raised wheat production estimate to 53.8 million tonnes from 52.5 million tonnes as certain regions has got good rain in previous week improving the yield prospects.
- Western Australia wheat production forecast remains encouraging and plantation has gained pace recently. Rains are expected in a couple of days in dry eastern coast boasting soil moisture.
- Turkish state grain board, TMO received highest offer of USD 286.56/MT FOB basis, in a tender to export 240,000 tonnes of red milling wheat from Nidera for 12.5% protein wheat. Other offers were at USD 280.90/T, FOB for wheat with 11% protein was and for 10.5% protein was USD 264.27/T.

Domestic market Outlook:

Domestic market remains Steady to firm owing to strong demand and lower arrivals.

	NCDEX Wheat Futures								
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
May-13	2	1,533	1,544	1,533	1,540	1,240	1,040	360	-780
June-13	12	1,538	1,563	1,538	1,522	5,870	2,960	24,840	20
July-13	-	-	-	-	-	-	-	-	-



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Spread	May-13	Jun-13	July-13	Aug-13
Spot	-15			
May-13		-18		
June-13			-	
July-13				-

Stocks	Demat	In- Process	Total	FED	
	18/5/2013	18/5/2013	18/5/2013	13/5/2013	
Delhi	3579	1076	4855	2513	
Itarsi	508	0	508	508	
Kanpur	52	0	52	52	
Kota	201	0	201	530	

Wheat (CBOT) On 17.5.2013

Contract	Open	High	Low	Close	+/-
Jul-13	688.25	689.75	680.25	638.25	-4.50
Sep-13	696.25	697.25	688.50	691.00	-5.00
Dec-13	713.25	714.50	705.00	707.50	-5.50
Mar-14	728.75	730.25	722.00	724.25	-5.75
May-14	732.00	736.25	729.00	731.50	-4.75
Jul-14	737.00	738.75	731.25	734.00	-4.75

Wheat Daily Prices and Arrivals on 20.5.2013

Centre	Market	Variety	Prices (Rs/Qtl)	Change
			20-5-2013	18-5-2013	
Delhi	Lawrence Road	Mill Delivery	1525	1525	Unch
Dellii	Narella	Mill Quality Loose	1500	1485	15
	Nazafgarh	Mill Quality Loose	1500	1500	Unch
	Rajkot	Mill Delivery	1650	1620	30
Gujarat	Ahmedabad	Mill Delivery	1660	1635	25
	Surat	Mill Delivery	1500 1650 1660 1675 1700 1605 1525 1580 1475 1475 1420 1510 1575 1370	1655	20
M.P.	Bhopal	Lokwan	1700	1700	Unch
MI.P.	Indore	Mill Delivery	1605	1600	5
Dojecthon	Kota	Mill Quality Loose	1525	1515	10
Rajasthan	Rota	Mill Delivery	1580	1560	20
	Kanpur	Mill Delivery	1475	1480	-5
*** **	Mathura	Mill Quality Loose	1420	1415	5
U.P.	Kosi	Mill Delivery	1510	1510	Unch
	Hathras	Mill Delivery	1575	1575	Unch
D '1	Khanna	Mill Quality Loose	1370	1370	Unch
Punjab	(Ludhiana)Jagraon	Mill Delivery	1460	1460	Unch
	Sirsa	Mill Delivery loose	1365	1365	Unch
II.	Hodal	Mill Delivery	1500	1475	25
Haryana	Panipat	Mill Quality Loose	1350	1350	Unch
	Karnal	Mill Quality Loose	1350	1350	Unch
Tamil Nadu	Chennai	Mill Quality	1850	1850	Unch
raiiiii Nadu	Madurai	Mill Quality	1900	1900	Unch



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	Coimbatore	Mill Quality	1900	1900	Unch
Chattisgah	Raipur	Mill Quality	1525	1525	Unch
Bihar	Begusarai	Mill Quality	1365	1365	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1650	1650	Unch
FUK	Gandhidham(Rajasthan-Kota)	Mill Quality	1650	1650	Unch

Centre	Market	Variety	Arrivals (Bags/Qtl)	Change
			20-5-2013	18-5-2013	
Delhi	Lawrence Road	Mill Delivery	10000	14000	-4000
Denn	Narella	Mill Quality Loose	1500	1800	-300
	Nazafgarh	Mill Quality Loose	300	400	-100
Cuionet	Rajkot	Mill Delivery	-	-	-
Gujarat	Ahmadabad	Mill Delivery	-	-	-
MD	Bhopal	Lokwan	-	-	-
M.P.	Indore	Mill Delivery	-	-	-
Rajasthan	Kota	Mill Quality	15000	15000	Unch
	Kanpur	Mill Delivery	700	800	-100
U.P.	Mathura	Mill Quality Loose	1500	1500	Unch
	Hathras	Mill Quality Loose	1000	1300	-300
Punjab	Khanna	Mill Quality Loose	14000	14000	Unch
	Sirsa	Mill Quality Loose	2000	1000	1000
However	Hodal	Mill Quality Loose	500	500	Unch
Haryana	Panipat	Mill Quality Loose	-	500	-
	Karnal	Mill Quality Loose	1000	1000	Unch

Wheat Products Delhi	20-5-2013	18-5-2013	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)	384	384	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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