

Wheat Daily Report

28th May 2013

Wheat Domestic Fundamentals:

- Domestic wheat market is likely to trade firm on improved demand from local buyers. Lower crop size too has added support to market firm tone. Medium term outlook in domestic depends on export quotes in global market and govt.'s price policy in the second quarter for export and domestic market.
- Farmers in M.P, Rajasthan are not holding back stock as they are receiving attractive price (Rs 1570-1600 per qtl). However; Farmers in other states like Uttar Pradesh, Bihar, Punjab and Haryana are releasing restricted quantity.
- As medium term international outlook for wheat remains bearish (\$270/per T August delivery, Black Sea region),opportunity for Indian wheat export remains bleak at this point of time as domestic market is unexpectedly higher(almost \$32 per T including internal freight)
- More wheat supply is required in the second quarter from govt.'s stock to control the ongoing uptrend. Price fixation and allocation would remain key factors for domestic market.
- Wheat key spot market has been trading firm owing to strong demand from millers and traders. Prices are expected to trade firm ahead. We are expecting wheat production this year to be around 88.19 million tonnes due to fall in yield in Haryana, Rajasthan, Madhya Pradesh and Punjab.
- STC received highest bid of USD 304.5/T for 60,000 MT wheat from promising International Ltd to be exported from Mundra Port. In another tender STC received highest bid of USD 302/MT for 40,000 MT from Louis Dreyfus to be shipped from Chennai port. PEC issued two tenders of 40,000 MT each and it received the highest bid of USD 305/MT from AL Ghuriar and USD 301/T for another tender to be shipped from east coast.
- As on 21st May, 247.77 lakh tonnes of wheat has been procured by government agencies in current procurement season as compared to 319.7 lakh tonnes same time last year, which is 22.5% less than previous year.

International Market Update:

- China has bought 6, 50,000 MT of US wheat at USD 320-328/MT CIF, July- September delivery. This is the second largest purchase made by china, bringing year total purchase at 1.5 million tonnes for the year.
- Spring wheat sowing has been lagging behind in Russia due to severe cold. For the current spring wheat sowing season so far 42% of the area or 5.4 million hectares has been sown and which is 2.2 million hectares less than last year at the same time.
- Algeria state buying agency OAIC, has bought 400,000 MT milling wheat of optional origin for USD 284-285/T, CNF for August delivery.

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
June-13	-8	1,605	1,605	1,584	1,591	4,260	-2,860	21,280	-320
July-13	-	-	-	-	-	-	-	-	-
Aug-13	-	-	-	-	-	-	-	-	-



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Spread	Jun-13	July-13	Aug-13	Sept-13
Spot	-6			
June-13		-		
July-13			-	
Aug-13				-

Stocks	Demat	In- Process	Total	FED
	24/5/2013	24/5/2013	24/5/2013	20/5/2013
Delhi	5394	309	5703	4656
Itarsi	508	0	508	508
Kanpur	52	0	52	52
Kota	201	0	201	201

Wheat (CBOT) On 24.5.2013 (Bushels/Cent)

Contract	Open	High	Low	Close	+/-
Jul-13	704.00	707.50	696.25	697.50	-5.75
Sep-13	710.00	714.25	703.00	704.50	-5.25
Dec-13	723.50	728.00	716.50	718.00	-5.00
Mar-14	738.00	742.00	730.75	732.25	-5.25
May-14	745.75	747.25	738.50	739.50	-4.75
Jul-14	746.75	747.75	739.00	741.75	-5.00

Wheat Daily Prices and Arrivals on 27.5.2013

Centre	Market	Variety	Prices	(Rs/Qtl)	Change
			27-5-2013	25-5-2013	
Delhi	Lawrence Road	Mill Delivery	1585	1580	5
Dellii	Narella	Mill Quality Loose	1580	1560	20
	Nazafgarh	Mill Quality Loose	1550	1550	Unch
	Rajkot	Mill Delivery	1700	1700	Unch
Gujarat	Ahmedabad	Mill Delivery	1735	1730	5
	Surat	Mill Delivery	27-5-2013 1585 1580 1550 1700	1755	5
M.P.	Bhopal	Lokwan	1750	1725	25
M.P.	Indore	Mill Delivery	1625	1650	-25
Daiaethan	Kota	Mill Quality Loose	1600	1600	Unch
Rajasthan		Mill Delivery	1660	1711	-51
	Kanpur	Mill Delivery	1625	1525	100
** D	Mathura	Mill Quality Loose	1500	1500	Unch
U.P.	Kosi	Mill Delivery	1650	1650	Unch
	Hathras	Mill Delivery	1550	1550	Unch
D '1	Khanna	Mill Quality Loose	1375	1360	15
Punjab	(Ludhiana)Jagraon	Mill Delivery	1510	1470	40
	Sirsa	Mill Delivery loose	1375	1365	10
TT	Hodal	Mill Delivery	1590	1560	30
Haryana	Panipat	Mill Quality Loose	1350	1350	Unch
	Karnal	Mill Quality Loose	-	_	-
Tomil Node	Chennai	Mill Quality	1925	1925	Unch
Tamil Nadu	Madurai	Mill Quality	1975	1975	Unch



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	Coimbatore	Mill Quality	1975	1975	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
			27-5-2013	25-5-2013	
Delhi	Lawrence Road	Mill Delivery	12000	8000	4000
Deini	Narella	Mill Quality Loose	3000	3000	Unch
	Nazafgarh	Mill Quality Loose	200	200	Unch
Contamat	Rajkot	Mill Delivery	-	-	-
Gujarat	Ahmadabad	Mill Delivery	200 - - - - - 15000	-	-
MD	Bhopal	Lokwan	-	-	_
M.P.	Indore	Mill Delivery	-	-	-
Rajasthan	Kota	Mill Quality	15000	15000	Unch
	Kanpur	Mill Delivery	800	600	200
U.P.	Mathura	Mill Quality Loose	15000	1000	14000
	Hathras	Mill Quality Loose	600	500	100
Punjab	Khanna	Mill Quality Loose	4000	5000	-1000
	Sirsa	Mill Quality Loose	500	2000	-1500
II a mara a	Hodal	Mill Quality Loose	200	500	-300
Haryana	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Quality Loose	-	-	-

Wheat Products Delhi	27.5.2013	25.5.2013	Change
Atta (50kg) Ordinary	890	890	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)	402	402	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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