

Wheat Daily Report

30th May 2013

Wheat Domestic Fundamentals:

- Ongoing discussion of lower crop has changed the inner tone of the market and medium term outlook
 depends on government pricing and allocation policy. To contain the rising prices government needs
 to allocate more quantity at discounted price, so inflation can be checked which is generally seen rising
 June onwards.
- Higher prices in open market and lower arrivals in Mandi's have directly impacted the procurement quantity this year. We expect procurement to decline below 27 million tonnes giving the market arrivals and open market price.
- Export is likely to decrease due to unviable prices in domestic market. Private traders are not interest in buying old crop wheat at Rs 1484/Q; hence Indian exporters are unable to offer wheat below USD 300/T FOB. US Wheat FOB is ruling around USD 280/T and Black Sea region FOB is ruling at USD 270-280/Q, posing stiff competition to Indian wheat in International market.
- 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.
- 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.

International Market Update:

- CBOT and International wheat market has been trading weak due to beneficial rains in key wheat growing region of Midwest and Kansas. Weak export sales have also pressurized the market
- South Korean firm Nonghyup Feed Inc has bought 55,000 MT feed wheat at USD 282.50/MT, CNF to be delivered by September from Concordia, Black Sea Region is said to be the origin of Wheat.
- A Flour mill in Oman has bought 40,000 MT, 12.5% milling wheat of Russian origin at USD 290/MT CNF, which will be delivered between 15th August and 15th September.
- 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.

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	9	1,587	1,598	1,587	1,593	2,220	-1,180	19,570	-600
July-13	-	-	-	-	-	-	-	-	-
Aug-13	-	-	-	-	-	-	-	-	-



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Spread	Jun-13	July-13	Aug-13	Sept-13
Spot	-18			
June-13		-		
July-13			-	
Aug-13				-

Stocks	Demat	In- Process	Total	FED
	28/5/2013	28/5/2013	28/5/2013	27/5/2013
Delhi	5394	1121	6515	5394
Itarsi	508	0	508	508
Kanpur	52	0	52	52
Kota	201	0	201	201

Wheat (CBOT) On 28.5.2013 (Bushels/Cent)

Contract	Open	High	Low	Close	+/-
Jul-13	699.00	705.00	687.75	693.75	-3.75
Sep-13	705.00	712.50	695.75	701.75	-2.75
Dec-13	720.25	726.75	711.00	717.75	-0.25
Mar-14	734.00	741.50	726.75	733.25	1.00
May-14	738.00	748.75	735.25	741.00	1.50
Jul-14	744.25	749.00	738.50	743.75	2.00

Wheat Daily Prices and Arrivals on 29.5.2013

Centre	Market	Variety	Prices ((Rs/Qtl)	Change
			5/29/2013	5/28/2013	
Delhi	Lawrence Road	Mill Delivery	1575	1577	-2
Dellii	Narella	Mill Quality Loose	-	1545	-
	Nazafgarh	Mill Quality Loose	-	1525	-
	Rajkot	Mill Delivery	1700	1700	Unch
Gujarat	Ahmedabad	Mill Delivery	1715	1725	-10
	Surat	Mill Delivery	1735	1745	-10
M.P.	Bhopal	Lokwan	1750	1730	20
MI.P.	Indore	Mill Delivery	1645	1625	20
Dojostkon		Mill Quality Loose	1600	1600	Unch
Rajasthan	Kota	Mill Delivery	1710	1575 1577 - 1545 - 1525 1700 1700 1715 1725 1735 1745 1750 1730 1645 1625 1600 1600	50
	Kanpur	Mill Delivery	1640	1650	-10
	Mathura	Mill Quality Loose	1490	1450	40
U.P.	Kosi	Mill Delivery	1625	1625	Unch
	Hathras	Mill Delivery	1570	1570	Unch
D 1.	Khanna	Mill Quality Loose	1375	1375	Unch
Punjab	(Ludhiana)Jagraon	Mill Delivery	5/29/2013 5 1575 - - - 1700 - 1715 - 1735 - 1750 - 1645 - 1600 - 1710 - 1640 - 1490 - 1375 - 1590 - 1965 -	1510	Unch
	Sirsa	Mill Delivery loose	1450	1450	Unch
TT	Hodal	Mill Delivery	1590	1590	Unch
Haryana	Panipat	Mill Quality Loose	1350	1350	Unch
	Karnal	Mill Quality Loose	-		-
Tamil Nadu	Chennai	Mill Quality	1965	1925	40
Tallili Nadu	Madurai	Mill Quality	2015	1975	40



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	Coimbatore	Mill Quality	2015	1975	40
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
			5/29/2013	5/28/2013	
Delhi	Lawrence Road	Mill Delivery	7000	7000	Unch
Deini	Narella	Mill Quality Loose	-	3000	-
	Nazafgarh	Mill Quality Loose	-	150	-
Cuionat	Rajkot	Mill Delivery	-	-	-
Gujarat	Ahmadabad	Mill Delivery	-	-	-
MD	Bhopal	Lokwan	-	-	-
M.P.	Indore	Mill Delivery	 15000 1500	-	-
Rajasthan	Kota	Mill Quality	15000	15000	Unch
	Kanpur	Mill Delivery	800	900	-100
U.P.	Mathura	Mill Quality Loose	1500	1000	500
	Hathras	Mill Quality Loose	1300	1200	100
Punjab	Khanna	Mill Quality Loose	4000	4000	Unch
	Sirsa	Mill Quality Loose	200	500	-300
ITamiana	Hodal	Mill Quality Loose	100	300	-200
Haryana	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Quality Loose	-	-	-

Wheat Products Delhi	29.5.2013	28.5.2013	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)	417	402	+15
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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