

Wheat Daily Report 31st May 2013

Wheat Domestic Fundamentals:

- Madhya Pradesh wheat is demanded in Gujarat, Rajasthan and South Indian Market. Loose wheat prices have fallen to Rs 1570/Q from 1630/Q from last week owing to slack demand from exporters.
- 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.
- 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:

- Russian domestic wheat crop is expected around 50 million tonnes this year which is around 12 million tonnes from last year. Exports are expected to rise to 15-16 million tonnes from last year's 11 million tonnes. Government may buy3-4 million tonnes wheat to replenish its depleted wheat stock.
- Egypt has harvested around 3.057 million tonnes wheat in this season which is around 45% higher than previous year. Egypt is expected to produce 9-9.5 million tonnes wheat this year. Egypt might import lower quantity this year due to better domestic production.
- Ukraine has exported 6.6 million tonnes of wheat in this season according to Ukrainian Ministry of Agriculture. It is estimated that Ukraine grain export may rise to 23-24 million tonnes from 22.8 million tonnes last 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 | -2 | 1,592 | 1,592 | 1,585 | 1,591 | 2,870 | 650 | 18,960 | -610 |
| July-13 | - | - | - | - | - | - | - | - | - |
| Aug-13 | - | - | - | - | - | - | - | - | - |



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| Spread | Jun-13 | July-13 | Aug-13 | Sept-13 |
|---------|--------|---------|--------|---------|
| Spot | -11 | | | |
| 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 | 1814 | 7209 | 5394 |
| Itarsi | 508 | 0 | 508 | 508 |
| Kanpur | 52 | 0 | 52 | 52 |
| Kota | 201 | 0 | 201 | 201 |

Wheat (CBOT) On 29.5.2013 (Bushels/Cent)

| Contract | Open | High | Low | Close | +/- |
|----------|--------|--------|--------|--------|-------|
| Jul-13 | 693.50 | 704.00 | 688.75 | 702.75 | 9.00 |
| Sep-13 | 701.00 | 712.00 | 696.75 | 711.25 | 9.50 |
| Dec-13 | 717.50 | 728.00 | 712.50 | 727.25 | 9.50 |
| Mar-14 | 733.50 | 743.00 | 728.00 | 742.50 | 9.25 |
| May-14 | 737.00 | 752.00 | 737.00 | 751.75 | 10.75 |
| Jul-14 | 742.50 | 756.25 | 738.50 | 756.00 | 12.25 |

Wheat Daily Prices and Arrivals on 30.5.2013

| Centre | Market | Variety | Prices (| (Rs/Qtl) | Change |
|---------------|-------------------|---------------------|--|--|--------|
| | | | 5/30/2013 | 5/29/2013 | |
| Delhi | Lawrence Road | Mill Delivery | 1580 | 1575 | 5 |
| Denn | Narella | Mill Quality Loose | 1545 | - | - |
| | Nazafgarh | Mill Quality Loose | 1525 | - | - |
| | Rajkot | Mill Delivery | 1580 1575 1545 - 1525 - 1700 1700 1725 1715 1740 1735 1800 1750 1635 1645 1575 1600 1635 1645 1575 1600 1690 1710 1650 1640 1485 1490 1600 1625 1550 1570 1400 1375 1490 1510 1410 1450 1590 1590 1590 1590 1900 1965 | 1700 | Unch |
| Gujarat | Ahmedabad | Mill Delivery | 1725 | 1715 | 10 |
| | Surat | Mill Delivery | 5/30/2013 5/29/2013 1580 1575 1545 - 1525 - 1700 1700 1725 1715 1740 1735 1800 1750 1635 1645 1575 1600 1690 1710 1650 1640 1485 1490 1550 1570 1400 1375 1490 1510 1410 1450 1590 1590 - 1350 - 1350 | 1735 | 5 |
| M.P. | Bhopal | Lokwan | 1800 | 1750 | 50 |
| WI.F . | Indore | Mill Delivery | 1635 | 1645 | -10 |
| Rajasthan | Kota | Mill Quality Loose | 1575 | 1600 | -25 |
| Kajastilali | Rota | Mill Delivery | 5/30/2013 5/29/2013 1580 1575 1545 - 1525 - 1700 1700 1725 1715 1740 1735 1800 1750 1635 1645 1575 1600 1635 1645 1575 1600 1650 1640 1485 1490 1600 1625 1550 1570 1400 1375 1490 1510 1490 1510 1490 1590 1590 1590 1590 1590 1900 1965 | -20 | |
| | Kanpur | Mill Delivery | $\begin{array}{c c c c c c c c c c c c c c c c c c c $ | 1640 | 10 |
| II D | Mathura | Mill Quality Loose | 1485 | 5/30/2013 5/29/2013 1580 1575 1545 - 1525 - 1700 1700 1725 1715 1740 1735 1800 1735 1800 1750 1635 1645 1575 1600 1690 1710 1650 1640 1650 1640 1650 1640 1650 1640 1485 1490 1550 1570 1400 1375 1490 1510 1490 1590 1490 1590 1490 1590 1490 1590 1490 1590 1490 1590 1490 1590 1490 1590 1490 1590 1590 - 1400 1590 1400 1590 1400 1590 1590 - 1900 | -5 |
| U.P. | Kosi | Mill Delivery | 1600 | 1625 | -25 |
| | Hathras | Mill Delivery | 1550 | 1570 | -20 |
| Dremiak | Khanna | Mill Quality Loose | 1400 | 1375 | 25 |
| Punjab | (Ludhiana)Jagraon | Mill Delivery | 1490 | 1510 | -20 |
| | Sirsa | Mill Delivery loose | 1410 | 1450 | -40 |
| Haman | Hodal | Mill Delivery | 5/30/2013 5/29/201 1580 1575 1545 - 1525 - 1700 1700 1725 1715 1740 1735 1740 1735 1800 1750 1635 1645 1575 1600 1635 1645 1690 1710 1650 1645 1650 1640 1650 1640 1650 1645 1485 1490 1550 1570 1400 1375 1490 1510 1490 1510 1490 1510 1490 1590 1590 1590 1590 1590 1590 1590 1900 1965 | 1590 | Unch |
| Haryana | Panipat | Mill Quality Loose | - | 1350 | - |
| | Karnal | Mill Quality Loose | 5/30/2013 5/29/2013 1580 1575 1545 - 1525 - 1700 1700 1725 1715 1740 1735 1800 1750 1555 1645 1575 1600 1575 1600 1635 1645 1690 1710 1650 1640 1650 1640 1650 1640 1650 1640 1485 1490 1500 1570 1400 1375 1490 1510 1490 1510 1490 1590 1590 1590 1590 1590 - 1350 - 1350 - 1900 | - | |
| Tamil Nadu | Chennai | Mill Quality | 1900 | 1965 | -65 |
| | Madurai | Mill Quality | 1950 | 2015 | -65 |



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| | - | _ | 0 | | |
|------------|----------------------------|--------------|------|------|------|
| | Coimbatore | Mill Quality | 1950 | 2015 | -65 |
| Chattisgah | Raipur | Mill Quality | 1525 | 1525 | Unch |
| Bihar | Begusarai | Mill Quality | 1365 | 1365 | Unch |
| FOR | Kandla(Rajasthan-Kota) | Mill Quality | 1625 | 1650 | -25 |
| FUK | Gandhidham(Rajasthan-Kota) | Mill Quality | 1625 | 1650 | -25 |

| Centre | Market | Variety | Arrivals (| Arrivals (Bags/Qtl) | |
|-------------|---------------|--------------------|------------|---------------------|-------|
| | | | 5/30/2013 | 5/29/2013 | |
| Delhi | Lawrence Road | Mill Delivery | 10000 | 7000 | 3000 |
| Denn | Narella | Mill Quality Loose | 5000 | - | - |
| | Nazafgarh | Mill Quality Loose | 200 | - | - |
| Gujarat | Rajkot | Mill Delivery | - | - | - |
| Gujarat | Ahmadabad | Mill Delivery | - | - | - |
| M.P. | Bhopal | Lokwan | - | - | - |
| MI.F. | Indore | Mill Delivery | - | - | - |
| Rajasthan | Kota | Mill Quality | 15000 | 15000 | Unch |
| | Kanpur | Mill Delivery | 800 | 800 | Unch |
| U.P. | Mathura | Mill Quality Loose | 1500 | 1500 | Unch |
| | Hathras | Mill Quality Loose | 900 | 1300 | -400 |
| Punjab | Khanna | Mill Quality Loose | 3000 | 4000 | -1000 |
| | Sirsa | Mill Quality Loose | 200 | 200 | Unch |
| Homeno | Hodal | Mill Quality Loose | 200 | 100 | 100 |
| Haryana | Panipat | Mill Quality Loose | - | - | - |
| | Karnal | Mill Quality Loose | - | - | - |

| Wheat Products Delhi | 5/30/2013 | 5/29/2013 | 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 | 417 | 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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