

Wheat Domestic Fundamentals:

- USDA has pegged Indian wheat production at 87 million tonnes, which is 5 million tonnes lower from previous estimate of 92 million tonnes. Fall in production is attributed to fall in yield in Punjab, Haryana and Uttar Pradesh ranging from 8-10%. Wheat exports are seen at 5 million tonnes owing to better global production and falling international prices.
- As on 12th June 250.69 lakh tonnes wheat has been procured by government agencies as compared to 363.08 lakh tonnes. Wheat procurement is lagging behind by 31% due to lower production and higher market price over MSP. It is expected that procurement may remain around 252-254 lakh tonnes this season.
- Wheat from Sirsa region is reaching Jammu at Rs 1600/Q, Mill delivered, Kandla at Rs 1660/Q and Punjab 1530-1540/Q. In Mathura region ITC is buying wheat at Rs 1680-1700/Q and Maharashtra and South Indian miller too is sourcing wheat from Mathura region.
- On 1st June, 2013 government has 443.89 Lakh tonnes of wheat in its central pool, which is lower than last year's 489.70 lakh tonnes at the same time.
- Wheat from U.P is reaching Karnataka (Bangalore, Hassan and Mysore) at Rs 1870-1895/Q delivered by truck. Parity from U.P may not sustain due to rising prices in U.P and South Indian traders may turn to Rajasthan and M.P in days to come.
- As per the reports government has removed the 5% VAT from Wheat lifted from Punjab and Haryana for exports and unconfirmed reports say government may fix price around Rs 1550/Q against Rs 1484/Q plus VAT.
- Arrivals have decreased drastically in Haryana and Punjab in recent times, pushing prices north to Rs 1390-1460/Q, loose quality. Lower arrivals have raised concern over production this year.

International Market Update:

- USDA report projects global wheat production at 695.86 million tonnes against 701.10 million tonnes in previous report due to fall in production in India, Black Sea region and EU. Ending Stocks too has been reduced to 181.25 million tonnes from 186.38 million tonnes owing to fall in production and increase in consumption demand from India, Iran and Egypt.
- Egypt government has procured 3.5 million tonnes wheat so far from domestic harvest, which is enough till 1 December 2013. Egypt is trying to reduce its wheat import and Egypt's local production is estimated at 9-9.5 million tonnes.
- Tunisian State grain agency has bought 75,000 MT soft milling wheat at USD 274.68/MT CNF, for July-August Shipment from optional origin, however traders believe that Black sea region wheat probably will be shipped.

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	-12	1630	1632	1613	1617	3,030	270	18,330	140
July-13	-15	1647	1647	1636	1638	1,060	540	4,190	260
Aug-13	-12	1668	1668	1655	1659	300	70	2,290	20

Spread	July-13	Aug-13	Sept-13	Oct-13
Spot	-7			
July-13		21		
Aug-13			21	
Sept-13				-

Stocks	Demat	In-Process	Total	FED
	12/6/2013	12/6/2013	12/6/2013	10/6/2013
Delhi	13376	1326	14702	11663
Itarsi	508	0	508	508
Kanpur	52	0	52	52
Kota	-	-	-	-

Wheat (CBOT) On 12.6.2013 (Bushels/Cent)

Contract	Open	High	Low	Close	+/-
Jul-13	694.50	696.75	679.00	683.00	-13.75
Sep-13	703.00	704.50	687.00	691.00	-14.00
Dec-13	716.75	719.50	701.25	705.25	-14.25
Mar-14	730.00	733.75	715.75	719.00	-14.75
May-14	738.50	744.00	726.25	729.25	-14.75
Jul-14	747.50	750.50	733.50	735.75	-14.75

Wheat Daily Prices and Arrivals on 13.6.2013

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			6/13/2013	6/12/2013	
Delhi					
	Lawrence Road	Mill Delivery	1610	1615	-5
	Narella	Mill Quality Loose	1600	Closed	-
	Nazafgarh	Mill Quality Loose	1575	Closed	-
Gujarat	Rajkot	Mill Delivery	1680	1690	-10
	Ahmedabad	Mill Delivery	1720	1725	-5
	Surat	Mill Delivery	1735	1735	Unch
M.P.	Bhopal	Lokwan	1725	1700	25
	Indore	Mill Delivery	1610	1610	Unch
Rajasthan	Kota	Mill Quality Loose	1575	1550	25
		Mill Delivery	1680	1600	80
U.P.	Kanpur	Mill Delivery	1570	1590	-20
	Mathura	Mill Quality Loose	1490	1500	-10
	Kosi	Mill Delivery	1700	1700	Unch
	Hathras	Mill Quality Loose	1475	1475	Unch
Punjab	Khanna	Mill Quality Loose	1400	1400	Unch
	(Ludhiana)Jagraon	Mill Delivery	1490	-	-
Haryana	Sirsa	Mill Delivery loose	1440	1440	Unch
	Hodal	Mill Delivery	1610	1610	Unch
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Quality Loose	-	-	-

	Bhiwani	Mill Quality Loose	1500	1500	Unch
Tamil Nadu	Chennai	Mill Quality	1975	1900	75
	Madurai	Mill Quality	2025	1950	75
	Coimbatore	Mill Quality	2025	1950	75
Chattisgah	Raipur	Mill Quality	1525	1525	Unch
Bihar	Begusarai	Mill Quality	1365	1365	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1650	1650	Unch
	Gandhidham(Rajasthan-Kota)	Mill Quality	1650	1650	Unch
Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			6/13/2013	6/12/2013	
	Lawrence Road	Mill Delivery	15000	10000	5000
	Narella	Mill Quality Loose	1500	Closed	-
	Nazafgarh	Mill Quality Loose	300	Closed	-
Gujarat	Rajkot	Mill Delivery	-	-	-
	Ahmadabad	Mill Delivery	-	-	-
M.P.	Bhopal	Lokwan	-	-	-
	Indore	Mill Delivery	-	-	-
Rajasthan	Kota	Mill Quality	4000	6000	-2000
U.P.	Kanpur	Mill Delivery	500	600	-100
	Mathura	Mill Quality Loose	15000	1500	13500
	Kosi	Mill Quality Loose	1500	1500	Unch
	Hathras	Mill Quality Loose	350	350	Unch
Punjab	Khanna	Mill Quality Loose	1000	3000	-2000
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	150	300	-150
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Quality Loose	-	-	-
	Bhiwani	Mill Quality Loose	400	400	Unch
Wheat Products Delhi		6/13/2013	6/12/2013	Change	
Atta (50kg) Ordinary		915	915	Unch	
Maida Grade 1 (90kg)		1932	1932	Unch	
Maida Grade 1 (50KG)		1055	1055	Unch	
Suji (50kg)		1120	1120	Unch	
Chokar (50 kg)		626	645	-19	
Chokar (34 kg)		383	386	-3	
Chakki Atta (50kg)		910	910	Unch	
Chakki Atta (50kg) Special		935	935	Unch	
Chakki Atta (90kg) Superfine		1771	1771	Unch	
Chakki Atta (50kg) Superfine		965	965	Unch	

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