

Wheat Domestic Fundamentals:

- Prices have fallen in past few days as arrivals has increased in mandis as farmers are trying to release wheat stocks ahead of heavy monsoon showers in Madhya Pradesh and Rajasthan. Slack demand from millers and stockiest too has pressurized the market prices.
- As per traders, despite of falling INR exporters are not buying much for exports as international markets are expected to trade weak ahead of harvesting in key wheat producing and exporting countries like US, Ukraine and Russia. Better wheat plantation in Canada and Argentina along with improved soil moisture due to recent rains in Australia is likely to put downward pressure.
- In Gujarat wheat is reaching from Rajasthan and M.P mostly at Rs 1650/Q delivered and local loose wheat is traded at Rs 1530-1550/Q. In Rajasthan loose wheat is traded at Rs 1530-1540/Q which is almost Rs 40/Q lower from previous week.
- Wheat inflation has fallen to 12.65% in May from 13.89% in April. Wheat WPI for May 2013 was 201.30 against 204.20 in April 2013.
- 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 tones 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.
- 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.

International Market Update:

- Indonesian government may impose three year or indefinite 20% import duty on import of wheat flour. On 5th Dec 2012 government imposed 20% import duty to study the impact of wheat flour import on domestic flour mills. Turkey and Sri Lanka are largest wheat flour exporters to Indonesia.
- Russia is expected to start full scale wheat harvest next week which is two weeks before of normal schedule. Wheat harvest has already begun in Russia's southern regions of Krasnodar and Stavropol. Russia is expected to harvest 70% milling wheat this year against 75% last year and 30% feed wheat.
- So far Grain yields in regions of Krasnodar and Stavropol were at 4.87 tonnes per hectare as compared to 2.98 tonnes per hectare at the start of last year's wheat harvest campaign.

Domestic market Outlook:

Domestic market is likely to trade steady to weak due to slack demand and increase in arrivals in Mandi.

NCDEX Wheat Futures									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
June-13	6	1589	1603	1584	1595	3,700	-710	17,520	-1,190
July-13	7	1605	1620	1602	1613	1,800	-910	5,320	480
Aug-13	8	1625	1639	1625	1632	160	-600	2,660	0

Spread	July-13	Aug-13	Sept-13	Oct-13
Spot	-5			
July-13		18		
Aug-13			19	
Sept-13				-

Stocks	Demat	In-Process	Total	FED
	17/6/2013	17/6/2013	17/6/2013	17/6/2013
Delhi	14262	381	14643	14262
Itarsi	508	0	508	508
Kanpur	52	0	52	52
Kota	-	-	-	-

Wheat (CBOT) On 17.6.2013 (Bushels/Cent)

Contract	Open	High	Low	Close	+/-
Jul-13	679.50	689.25	674.50	680.50	-0.25
Sep-13	686.00	696.00	682.25	687.75	-1.00
Dec-13	699.00	708.75	695.00	701.00	-0.50
Mar-14	711.75	722.00	708.50	714.75	0.25
May-14	722.00	731.00	718.50	725.75	0.75
Jul-14	726.00	738.75	726.00	731.75	-0.25

Wheat Daily Prices and Arrivals on 18.6.2013

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			6/18/2013	6/17/2013	
Delhi					
	Lawrence Road	Mill Delivery	1590	1590	Unch
	Narella	Mill Quality Loose	1530	-	-
	Nazafgarh	Mill Quality Loose	-	-	-
Gujarat	Rajkot	Mill Delivery	1640	1600	40
	Ahmedabad	Mill Delivery	1720	1715	5
	Surat	Mill Delivery	1735	1735	Unch
M.P.	Bhopal	Lokwan	1650	1650	Unch
	Indore	Mill Delivery	1600	1610	-10
Rajasthan	Kota	Mill Quality Loose	1540	1540	Unch
		Mill Delivery	1600	1600	Unch
U.P.	Kanpur	Mill Delivery	1590	1590	Unch
	Mathura	Mill Quality Loose	1460	1460	Unch
	Kosi	Mill Delivery	1650	1650	Unch
	Hathras	Mill Quality Loose	1445	-	-
Punjab	Khanna	Mill Quality Loose	1475	-	-
	(Ludhiana)Jagraon	Mill Delivery	1535	-	-
Haryana	Sirsa	Mill Delivery loose	1450	1440	10
	Hodal	Mill Delivery	1590	1590	Unch
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Quality Loose	-	-	-
	Bhiwani	Mill Quality Loose	1490	1490	Unch

Tamil Nadu	Chennai	Mill Quality	1850	1850	Unch
	Madurai	Mill Quality	1900	1900	Unch
	Coimbatore	Mill Quality	1900	1900	Unch
Chattisgarh	Raipur	Mill Quality	1525	1525	Unch
Bihar	Begusarai	Mill Quality	1365	1365	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1680	1680	Unch
	Gandhidham(Rajasthan-Kota)	Mill Quality	1680	1680	Unch
Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			6/18/2013	6/17/2013	
	Lawrence Road	Mill Delivery	8000	7000	1000
	Narella	Mill Quality Loose	500	-	-
	Nazafgarh	Mill Quality Loose	-	-	-
Gujarat	Rajkot	Mill Delivery	-	-	-
	Ahmadabad	Mill Delivery	-	-	-
M.P.	Bhopal	Lokwan	-	-	-
	Indore	Mill Delivery	-	-	-
Rajasthan	Kota	Mill Quality	15000	20000	-5000
U.P.	Kanpur	Mill Delivery	500	-	-
	Mathura	Mill Quality Loose	500	1000	-500
	Kosi	Mill Quality Loose	1500	100	1400
	Hathras	Mill Quality Loose	350	-	-
Punjab	Khanna	Mill Quality Loose	1000	-	-
Haryana	Sirsa	Mill Quality Loose	300	200	100
	Hodal	Mill Quality Loose	200	200	Unch
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Quality Loose	-	-	-
	Bhiwani	Mill Quality Loose	300	300	Unch
Wheat Products Delhi		6/18/2013	6/17/2013	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)		650	642	8	
Chokar (34 kg)		369	377	-8	
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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