

Wheat Domestic Fundamentals:

- PEC has received the highest bid of USD 300/MT from Al Ghurair for 90,000 MT wheat to be exported from west coast by 20th July.
- Government may allow 2 million tonnes above 4.5 million tonnes for export at the floor price of USD 300/T. Cabinet may consider releasing 100 million tonnes in domestic market for bulk and other schemes at Rs 1500/Q.
- As per trade sources wheat in South Indian markets is sourced from Rajasthan and M.P as there is no parity from U.P due to export demand for U.P wheat from Bangladesh. Prices in Rajasthan and M.P have fallen in past few days as arrivals have increased and demand has fallen.
- Prices have fallen in past few days as arrivals have 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.
- 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.

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	-8	1591	1594	1585	1588	2,280	-1,420	17,120	-400
July-13	-7	1610	1612	1605	1608	1,130	-670	5,890	570
Aug-13	0	1632	1632	1625	1631	510	350	2,930	270

Spread	July-13	Aug-13	Sept-13	Oct-13
Spot	2			
July-13		20		
Aug-13			23	
Sept-13				-

Stocks	Demat	In-Process	Total	FED
	18/6/2013	18/6/2013	18/6/2013	17/6/2013
Delhi	14262	381	14643	14262
Itarsi	508	0	508	508
Kanpur	52	0	52	52
Kota	-	-	-	-

Wheat (CBOT) On 18.6.2013 (Bushels/Cent)

Contract	Open	High	Low	Close	+/-
Jul-13	681.00	689.75	680.50	687.50	+7.00
Sep-13	689.25	696.75	687.75	694.75	+7.00
Dec-13	701.00	710.25	701.00	708.00	+7.00
Mar-14	716.50	723.50	714.75	721.75	+7.00
May-14	726.25	733.75	725.75	732.25	+6.50
Jul-14	733.50	739.50	731.75	738.75	+7.00

Wheat Daily Prices and Arrivals on 19.6.2013

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			19-6-2013	18-6-2013	
Delhi					
	Lawrence Road	Mill Delivery	1590	1590	Unch
	Narella	Mill Quality Loose	-	1530	-
	Nazafgarh	Mill Quality Loose	-	-	-
Gujarat	Rajkot	Mill Delivery	1640	1640	Unch
	Ahmedabad	Mill Delivery	1715	1720	-5
	Surat	Mill Delivery	1735	1735	Unch
M.P.	Bhopal	Lokwan	1650	1650	Unch
	Indore	Mill Delivery	1600	1600	Unch
Rajasthan	Kota	Mill Quality Loose	1500	1500	Unch
		Mill Delivery	1560	1600	-40
U.P.	Kanpur	Mill Delivery	1590	1590	Unch
	Mathura	Mill Quality Loose	1460	1460	Unch
	Kosi	Mill Delivery	1600	1650	-50
	Hathras	Mill Quality Loose	1430	1445	-15
Punjab	Khanna	Mill Quality Loose	1480	1475	-5
	(Ludhiana)Jagraon	Mill Delivery	1535	1535	-
Haryana	Sirsa	Mill Delivery loose	1475	1450	-25
	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
Chattisgah	Raipur	Mill Quality	1525	1525	Unch
Bihar	Begusarai	Mill Quality	1365	1365	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1650	1680	-30
	Gandhidham(Rajasthan-Kota)	Mill Quality	1650	1680	-30
Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			19-6-2013	18-6-2013	
	Lawrence Road	Mill Delivery	9000	8000	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	10000	15000	-5000
U.P.	Kanpur	Mill Delivery	700	500	Unch
	Mathura	Mill Quality Loose	500	500	Unch
	Kosi	Mill Quality Loose	1000	1500	-500
	Hathras	Mill Quality Loose	350	350	-
Punjab	Khanna	Mill Quality Loose	300	1000	-700
Haryana	Sirsa	Mill Quality Loose	200	300	-100
	Hodal	Mill Quality Loose	200	200	Unch
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Quality Loose	-	-	-
	Bhiwani	Mill Quality Loose	400	300	+100
Wheat Products Delhi			19-6-2013	18-6-2013	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	650	Unch
Chokar (34 kg)			369	369	Unch
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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