

## Wheat Domestic Fundamentals:

- Indian government has passed the ordinance to feed 67% of poor Indian population through ambitious food security bill providing total 62 million tonnes of grains. 5 Kg of each wheat, Rice and millets will be provided at Rs 2, 3 and 1 per Kg respectively. Food security bill may cost government around USD 22 billion.
- According to traders, in M.P overall demand is low. Wheat is reaching Pune, Nashik and Ahmednagar at Rs 1830/Q from Indore. Market is expected to remain weak ahead too on ample supply and weak demand.
- In Gujarat, no exports were reported recently. Local wheat is trading around Rs 1550/Q and Rajasthan milling wheat is reaching Gujarat at Rs 1600-1650/Q, delivered basis Wheat key spot markets are expected to trade range bound with weak bias due to absence of any major market moving factors.
- 250.84 lakh tonnes wheat has been procured by government agencies as on 4<sup>th</sup> June against 376.88 lakh tonnes previous year at the same time. Procurement has been poor due to lower production and private traders offering prices above MSP.
- U.P this year has been drastically lagging behind in wheat procurement target by 86%. So far 6.83 lakh tonnes wheat has been procured against 48.76 lakh tonnes last year at the same time. This year procurement target of 60 lakh tonnes will be missed by atleast 89% as private traders and exporters bought above MSP during procumbent season. However supply side will remain comfortable due to government's huge carry in stocks and poor exports.
- As per traders Wheat is reaching South Indian markets from Rajasthan and Madhya Pradesh at 1800-1950/Q. Local demand has been steady in M.P and Rajasthan. Dull trading activities have been witnessed in major Mandis of M.P owing to persistent rains.

## International Market Update:

- As on 4<sup>th</sup> July Russia has harvested 8.3 million tonnes of wheat with average yield of 3.51MT/Hectare against 3.51 MT/hectare previous year. Ukraine has harvested 4.8 million tonnes wheat so far and total harvest is expected around 21 million tonnes.
- Australia's wheat production could reach near 25 million tonnes owing to beneficial rains in May and June, as per analysts. ABARES sees Australian wheat production at 25.4 million tonnes and wheat exports could fall to 19 million tonnes due to competition from Black Sea region and Canada.
- Pakistan Flour Mill Association has been demanding Pakistan government to allow wheat import from India via Wagah border as imported wheat from India is costing around Pakistani rupee 1140/40Kg including all cost as compared to domestic wheat price at Rs 1400/40 Kg.

**Domestic market Outlook:** Domestic market is likely to trade steady to weak.

NCDEX Wheat Futures									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
July-13	-9	1559	1559	1526	1545	4,620	1,560	1,860	-2,600
Aug-13	1	1570	1580	1565	1575	5,170	-1,620	12,510	2,880
Sep-13	-1	1575	1593	1575	1590	2,000	-1,080	5,340	960

## Wheat Daily Report

### 6<sup>th</sup> July 2013

Spread	July-13	Aug-13	Sept-13	Oct-13
Spot	15			
July-13		30		
Aug-13			15	
Sept-13				-

Stocks	Demat	In-Process	Total	FED
	4.7.2013	4.7.2013	4.7.2013	2.7.2013
Delhi	16284	0	16284	16145
Itarsi	110	0	110	359
Kanpur	52	0	52	52
Kota	-	-	-	-

### Wheat (CBOT) On 03.7.2013 (Bushels/Cent)

Contract	Open	High	Low	Close	+/-
Jul-13	653	662.25	653	657.75	8.25
Sep-13	658	671.25	658	665	6.75
Dec-13	671.25	684.25	671	677.5	6.25
Mar-14	684.75	697.25	684.75	691.5	6.5
May-14	697.25	705.75	694.25	697.25	3
Jul-14	703.75	710.75	700.75	701.25	0.5

### Wheat Daily Prices and Arrivals on 5.7.2013

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			7/5/2013	7/4/2013	
New Delhi					
	Lawrence Road	Mill Delivery	1560	1560	Unch
	Narella	Mill Quality Loose	1470	1500	-30
Gujarat	Nazafgarh	Mill Quality Loose	1500	1500	Unch
	Rajkot	Mill Delivery	1600	1540	60
	Ahmedabad	Mill Delivery	1700	1700	Unch
M.P.	Surat	Mill Delivery	1720	1725	-5
	Bhopal	Lokwan	1550	1600	-50
Rajasthan	Indore	Mill Delivery	1590	1590	Unch
	Kota	Mill Quality Loose	1525	1525	Unch
		Mill Delivery	1600	1600	Unch
U.P.	Kanpur	Mill Delivery	1550	1560	-10
	Mathura	Mill Quality Loose	1435	1445	-10
	Kosi	Mill Delivery	1600	1600	Unch
	Hathras	Mill Quality Loose	1415	1405	10
Punjab	Khanna	Mill Quality Loose	1480	1480	Unch
	(Ludhiana)Jagraon	Mill Delivery	1525	1525	Unch
Haryana	Sirsa	Mill Delivery loose	1455	1455	Unch
	Hodal	Mill Delivery	1560	1560	Unch
	Karnal	Mill Delivery	1480	1490	-10
	Bhiwani	Mill Quality Loose	1470	1470	Unch
Tamil Nadu	Chennai	Mill Quality	1825	1825	Unch
	Madurai	Mill Quality	1875	1875	Unch
	Coimbatore	Mill Quality	1875	1875	Unch

FOR	Kandla(Rajasthan-Kota)	Mill Quality	1645	1665	-20
	Gandhidham(Rajasthan-Kota)	Mill Quality	1645	1665	-20

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			7/5/2013	7/4/2013	
Delhi					
	Lawrence Road	Mill Delivery	9000	7000	2000
	Narella	Mill Quality Loose	800	500	300
	Nazafgarh	Mill Quality Loose	100	200	-100
Gujarat	Rajkot	Mill Delivery	-	-	-
	Ahmadabad	Mill Delivery	-	-	-
M.P.	Bhopal	Lokwan	-	-	-
	Indore	Mill Delivery	-	-	-
Rajasthan	Kota	Mill Quality	4000	4000	Unch
U.P.	Kanpur	Mill Delivery	-	-	-
	Mathura	Mill Quality Loose	1000	1000	Unch
	Kosi	Mill Quality Loose	1000	1000	Unch
	Hathras	Mill Quality Loose	350	200	150
Punjab	Khanna	Mill Quality Loose	500	500	Unch
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	100	100	Unch
	Karnal	Mill Quality Loose	-	-	-
	Bhiwani	Mill Quality Loose	200	300	-100

Wheat Products Delhi	5-7-2013	4-7-2013	Change
Atta (50kg) Ordinary	940	940	Unch
Maida Grade 1 (90kg)	2022	2022	Unch
Maida Grade 1 (50KG)	1105	1105	Unch
Suji (50kg)	1180	1180	Unch
Chokar (50 kg)	541	541	Unch
Chokar (34 kg)	339	339	Unch
Chakki Atta (50kg)	960	960	Unch
Chakki Atta (50kg) Special	985	985	Unch
Chakki Atta (90kg) Superfine	1816	1816	Unch
Chakki Atta (50kg) Superfine	990	990	Unch

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