

Wheat Domestic Fundamentals:

- Domestic wheat market traded almost unchanged at Saturday level. Market is still seeking a clue for direction. Market participants opine that any move for wheat market depends on govt.'s selling strategy and price in the months ahead. Supply side is ample and south Indian millers are sourcing wheat from Rajasthan and Madhya Pradesh at Rs 1900/1950 per qtl. on delivered basis depending on various delivery stations.
- Meanwhile, there is a general talk in the market that govt. may offer some discount for selling wheat through OMSS as Lok Sabha election seems round the corner. Govt. would try to curb price/inflation within limit and it may cap any trend of uptrend. Despite, lower production, overall sentiment in the market remains bearish and govt. seems to be on driver's seat.
- As supply side from private trades/stockiests/farmers is adequate, offtake from FCI godowns is expected to remain sluggish in the month of August. However, some incentives to bulk buyers would attract them to buy wheat from govt.'s stock. There is a general feeling in the market that open market stock would start decreasing Sep onward and then more offtake from govt.'s stock might be expected.
- Meanwhile in the latest development the CCEA has approved the export of 2 million T wheat from FCI godowns during the current financial year at a floor price of \$300 per T through the public sector undertakings like PEC,MMTC and STC.
- The CCEA also approved reimbursement of loss by the government to FCI on account of the exports calculated as the difference between the economic cost to FCI and its realization from the exporting CPSUs after deduction of their commission at the rate of 1. per cent of the FOB price and the actual port expenses.
- According to IBIS, India wheat export is estimated at 3.03 lakh tonnes in July month as compared to 5.91 lakh tonnes. Fall in export is due to cheaper wheat available from Russia, Ukraine and US. UAE was the top market for Indian wheat in July with 70,331 MT followed by Indonesia with 69,892 MT.
- As on 1st August 2013, wheat stock in central pool stock is reported at 403.78 lakh tonnes as compared to 475.26 lakh tonnes at the same time last year.
- In Rajasthan, traders are in no position to lift central pool stock wheat from Punjab and Haryana as it is costing around Rs 50-70/Q more than local wheat moreover miller in Rajasthan prefer either local wheat or M.P wheat over Punjab and Haryana wheat due to quality concern.
- MT Indian wheat of Eastern Uttar Pradesh region at USD 290/MT, FOR. Wheat first will be sent to Kolkata and then transported to Bangladesh by road. Feed wheat buyers of Thailand are replacing Indian and Australian wheat with Black sea region wheat.

International Market Update:

- Global wheat market continues to trade lower on the back of higher production prospects. US sellers are offering cheaper wheat and trying to attract buyers by price cutting. Egypt's recent international purchases equate to over 1mln t, with Romania and the Ukraine again bagging the recent tenders.
- EU market too traded lower. French soft wheat harvest moving north and reports of better protein contents in new crop signals higher production. France may harvest 37 million T wheat. . However, despite one cheap offer, the general 'line-up' of wheat offered to Egypt remains about \$10-12/t too expensive on a CIF basis.

Domestic market Outlook: Domestic market is likely to trade range bound with weak outlook.

NCDEX Wheat Futures									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Aug-13	-9	1573	1574	1565	1569	450	-1,060	8,320	-250
Sep-13	-5	1587	1589	1572	1578	1,240	-180	6,970	20
Oct-13	-5	1592	1587	1575	1586	70	-340	4,480	0

Spread	Aug-13	Sept-13	Oct-13	Nov-13
Spot	-2			
Aug-13		10		
Sept-13			9	
Oct-13				-

Stocks	Demat	In-Process	Total	FED
	10.8.2013	10.8.2013	10.8.2013	5.8.2013
Delhi	16392	0	16392	16392
Itarsi	-	-	-	-
Kanpur	52	0	52	52
Kota				

Wheat (CBOT) On 7.08.2013(Bushels/Cent)

Contract	Open	High	Low	Close	+/-
Sept-13	643	648	639.75	641.25	-2.25
Dec-13	655.25	660.25	652	653.75	-2.5
Mar-14	666.75	671.5	662.75	665.5	-2.25
May-14	675	677.75	670.25	673.5	-2
Jul-14	670.75	673.25	665.25	668	-1.5
Sept-14	678.5	678.5	673.25	675.5	-1

Wheat Daily Prices and Arrivals on 12.08.2013

Centre	Market	Variety	Prices (Rs/QtI)		Change
			8/12/2013	8/10/2013	
Delhi	Lawrence Road	Mill Delivery	1575	1575	Unch
	Narella	Mill Quality Loose	1525	1520	5
	Nazafgarh	Mill Quality Loose	1500	1490	10
Gujarat	Rajkot	Mill Delivery	1625	1625	Unch
	Ahmedabad	Mill Delivery	1690	1700	-10
	Surat	Mill Delivery	1710	1720	-10
M.P.	Bhopal	Lokwan	1600	1600	Unch
	Indore	Mill Delivery	-	-	-
Rajasthan	Kota	Mill Quality Loose	1500	1535	-35
		Mill Delivery	1570	1621	-51
U.P.	Kanpur	Mill Delivery	1550	1550	Unch
	Mathura	Mill Quality Loose	1440	1440	Unch
	Kosi	Mill Delivery	1470	1450	20
	Hathras	Mill Quality Loose	1410	1395	15
Punjab	Khanna	Mill Quality Loose	1470	1460	10
	(Ludhiana)Jagraon	Mill Delivery	1480	1480	Unch
Haryana	Sirsa	Mill Delivery	1460	1465	-5

		loose			
	Hodal	Mill Delivery	1560	1550	10
	Karnal	Mill Quality Loose	1485	1480	5
	Bhiwani	Mill Quality Loose	1470	1470	Unch
Tamil Nadu	Chennai	Mill Quality	1800	1870	-70
	Madurai	Mill Quality	1850	1900	-50
	Coimbatore	Mill Quality	1850	1920	-70
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1580	1725	-145
	Gandhidham(Rajasthan-Kota)	Mill Quality	1580	1725	-145

Centre	Market	Variety	Arrivals (Bags/QtI)		Change
			8/12/2013	8/10/2013	
Delhi	Lawrence Road	Mill Delivery	10000	7000	3000
	Narella	Mill Quality Loose	1200	300	900
	Nazafgarh	Mill Quality Loose	400	250	150
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	-	-	-
	Mathura	Mill Quality Loose	700	400	300
	Kosi	Mill Quality Loose	1000	300	700
	Hathras	Mill Quality Loose	-	-	-
Punjab	Khanna	Mill Quality Loose	300	300	Unch
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	200	150	50
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Quality Loose	-	-	-
	Bhiwani	Mill Quality Loose	250	150	50

Wheat Products Delhi	8/12/2013	8/10/2013	Change
Atta (50kg) Ordinary	940	940	Unch
Maida Grade 1 (90kg)	2067	2067	Unch
Maida Grade 1 (50KG)	1130	1130	Unch
Suji (50kg)	1180	1180	Unch
Chokar (50 kg)	593	593	Unch
Chokar (34 kg)	369	369	Unch
Chakki Atta (50kg)	985	985	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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