

Wheat Domestic Fundamentals:

- According to wheat scientist Ronnie Coffman, Indian does not face Ug99 rust disease risk at present. Ug99 is black wheat stem rust fungus which can destroy 70% wheat yield.
- Wheat cash market is trading at almost unchanged previous level in clueless market. However, festive demand for wheat products may restrict market to dip further. Supply side remains ample and local demands are being taken care of by private trades.
- As export opportunity for India is diminishing fast due to widening price gap, we expect easy supply side to continue in the local market. There seems no wheat export opportunity from India as of now due to higher prices despite of weak rupee. Ukraine and Russia is exporting wheat at USD 240-244/MT, FOB Black sea region, US is selling wheat at USD 260-270/MT.
- Wheat inflation has marginally decreased in July to 13.42% year on year basis from 13.83% in May 2013. Though WPI has increased marginally 206.2 in June from 205 in May 2013. Inflation has increased marginally by 0.58% month on month basis.
- There is a general talk in market that government may offer some discount for selling wheat through OMSS as election are round the corner. Government would try to curb inflation within limit. Despite, lower production, overall sentiment in the market remains bearish.
- As supply side from private trades/stockiest/farmers is adequate, off take from FCI godowns is expected to remain sluggish in the month of August.

International Market Update:

- Iran has purchased 4.1 million tonnes of wheat from domestic farmers at 33 cents per kg which is higher than last year purchase of 2.44 million tonnes at 29 cents per kg.
- South Korean flour miller Samyang Milmax Corporation has bought 25,000 tonnes of U.S. milling wheat of which is 10,500 MT Soft White wheat at USD 273/MT, 1,000MT of Soft White wheat at USD 277/MT, 5,700 MT of Hard Red Winter wheat at USD 312/MT and 7,800MT of Dark Northern Spring wheat at USD 315/MT, FOB to be shipped between Oct. 10 and Nov. 10, 2013
- USDA has increased the global wheat production to 705.38 million tonnes from 697.80 million tonnes due to expected better output in Spain, France, Germany, Kazakhstan, Russia, Ukraine and Australia. Production is increased by 2.8 million tons for EU, 2.5 million tons for Kazakhstan and 2 million tonnes for Ukraine.
- Global wheat trade has been increased by around 4 million tonnes to 154.01 million tonnes from 149.13 million tonnes. World wheat ending stocks has been reduced slightly increased to 172.99 million tonnes as consumption is likely to increase by 6.9 million tonnes.

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

NCDEX Wheat Futures									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Aug-13	10	1608	1610	1590	1610	1,410	1,370	220	-1,150
Sep-13	-7	1586	1591	1581	1581	1,370	-750	4,910	10
Oct-13	-5	1590	1594	1586	1588	940	-360	3,730	-400

Spread	Aug-13	Sept-13	Oct-13	Nov-13
Spot	-35			
Aug-13		-29		
Sept-13			7	
Oct-13				-

Stocks	Demat	In-Process	Total	FED
	17.8.2013	17.8.2013	17.8.2013	12.8.2013
Delhi	15325	20	15345	15845
Itarsi	-	-	-	-
Kanpur	52	0	52	52
Kota	-	-	-	-

Wheat (CBOT) On 16.08.2013(Bushels/Cent)

Contract	Open	High	Low	Close	+/-
Sep-13	637.50	641.25	626.75	631.00	-6.50
Dec-13	649.75	653.50	638.25	643.50	-6.00
Mar-14	662.00	665.00	650.50	656.25	-5.50
May-14	668.25	669.25	657.25	663.25	-6.00
Jul-14	667.00	667.75	656.75	660.50	-6.75
Sept-14	674.75	675.25	666.00	669.75	-5.00

Wheat Daily Prices and Arrivals on 19.08.2013

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			19-8-2013	17-8-2013	
Delhi	Lawrence Road	Mill Delivery	1575	1570	5
	Narella	Mill Quality Loose	1515	1525	-10
	Nazafgarh	Mill Quality Loose	1515	1505	10
Gujarat	Rajkot	Mill Delivery	1640	1640	Unch
	Ahmedabad	Mill Delivery	1700	1700	Unch
	Surat	Mill Delivery	1730	1730	Unch
M.P.	Bhopal	Lokwan	1650	1625	25
	Indore	Mill Delivery	1625	1625	Unch
Rajasthan	Kota	Mill Quality Loose	-	1500	-
		Mill Delivery	-	1520	-
U.P.	Kanpur	Mill Delivery	1540	1540	Unch
	Mathura	Mill Quality Loose	1445	1442	3
	Kosi	Mill Quality Loose	1460	1450	10
	Hathras	Mill Quality Loose	1410	1410	Unch
Punjab	Khanna	Mill Quality Loose	1450	1450	Unch
	(Ludhiana)Jagraon	Mill Delivery	1480	1480	Unch
Haryana	Sirsa	Mill Delivery loose	1460	1450	10
	Hodal	Mill Delivery	1570	1570	Unch
	Karnal	Mill Quality Loose	1500	1485	15
	Bhiwani	Mill Quality Loose	1490	1490	Unch
Tamil	Chennai	Mill Quality	-	1875	-

Nadu	Madurai	Mill Quality	-	1925	-
	Coimbatore	Mill Quality	-	1925	-
FOR	Kandla(Rajasthan-Kota)	Mill Quality	-	1710	-
	Gandhidham(Rajasthan-Kota)	Mill Quality	-	1710	-
Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			19-8-2013	17-8-2013	
	Lawrence Road	Mill Delivery	10000	9000	1000
	Narella	Mill Quality Loose	150	400	-250
	Nazafgarh	Mill Quality Loose	200	150	50
Gujarat	Rajkot	Mill Delivery	-	-	-
	Ahmadabad	Mill Delivery	-	-	-
M.P.	Bhopal	Lokwan	-	-	-
	Indore	Mill Delivery	-	-	-
Rajasthan	Kota	Mill Quality	-	8001	-
U.P.	Kanpur	Mill Delivery	-	-	-
	Mathura	Mill Quality Loose	500	500	Unch
	Kosi	Mill Quality Loose	1000	500	500
	Hathras	Mill Quality Loose	150	300	-150
Punjab	Khanna	Mill Quality Loose	300	200	100
Haryana	Sirsa	Mill Quality Loose	100	100	Unch
	Hodal	Mill Quality Loose	100	100	Unch
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Quality Loose	-	-	-
	Bhiwani	Mill Quality Loose	200	101	99
Wheat Products Delhi		19-8-2013	17-8-2013	Change	
Atta (50kg) Ordinary		940	940	Unch	
Maida Grade 1 (90kg)		2111	2111	Unch	
Maida Grade 1 (50KG)		1155	1155	Unch	
Suji (50kg)		1180	1180	Unch	
Chokar (50 kg)		598	593	+5	
Chokar (34 kg)		381	372	+9	
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	