

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:

- Western Australia wheat production is likely to increase by 20-25% in 2013-14 owing to recent rains which might increase the yield this year. ABARES is expecting Australia's wheat production near 25.399 million tonnes against 22.077 million tonnes previous year.
- Canada may harvest the highest wheat crop in more than 2 decades, around 30.6 million tonnes as compared to 27.1 million tonnes in 2012-13. Facourable weather and timely sowing of wheat is likely to increase the yield prospects this year.
- Jordan has bought 50000MT wheat of optional origin for USD 287.50/MT, CNF and another 50000 MT at USD 288.50/MT, CNF from Nibulon to be shipped till March 2014.
- 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

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
Sep-13	3	1584	1590	1582	1584	580	40	4,860	30
Oct-13	2	1593	1595	1590	1592	200	-350	3,830	20
Nov-13	7	1600	1607	1600	1606	30	-60	210	-10

Spread	Sept-13	Oct-13	Nov-13	Dec-13
Spot	-9			
Sept-13		8		
Oct-13			14	
Nov-13				-

Stocks	Demat	In-Process	Total	FED
	20.8.2013	20.8.2013	20.8.2013	19.8.2013
Delhi	15345	0	15345	15325
Itarsi	-	-	-	-
Kanpur	52	0	52	52
Kota	-	-	-	-

Wheat (CBOT) On 19.08.2013(Bushels/Cent)

Contract	Open	High	Low	Close	+/-
Sep-13	641.00	644.00	634.00	634.25	-7.25
Dec-13	653.50	656.00	645.50	646.00	-7.50
Mar-14	665.50	668.25	657.50	657.50	-8.75
May-14	673.00	673.50	664.00	664.00	-8.75
Jul-14	668.00	670.00	661.50	661.75	-7.25
Sept-14	677.00	678.75	671.75	671.75	-6.25

Wheat Daily Prices and Arrivals on 21.08.2013

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			21-8-2013	19-8-2013	
Delhi	Lawrence Road	Mill Delivery	1575	1575	Unch
	Narella	Mill Quality Loose	-	1515	-
	Nazafgarh	Mill Quality Loose	-	1515	-
Gujarat	Rajkot	Mill Delivery	1640	1640	Unch
	Ahmedabad	Mill Delivery	1720	1700	20
	Surat	Mill Delivery	1750	1730	20
M.P.	Bhopal	Lokwan	-	1650	-
	Indore	Mill Delivery	-	1625	-
Rajasthan	Kota	Mill Quality Loose	-	-	-
		Mill Delivery	-	-	-
U.P.	Kanpur	Mill Delivery	-	1540	-
	Mathura	Mill Quality Loose	-	1445	-
	Kosi	Mill Quality Loose	1460	1460	Unch
	Hathras	Mill Quality Loose	-	1410	-
Punjab	Khanna	Mill Quality Loose	1450	1450	Unch
	(Ludhiana)Jagraon	Mill Delivery	1430	1480	-50
Haryana	Sirsa	Mill Delivery loose	1470	1460	10
	Hodal	Mill Delivery	1570	1570	Unch
	Karnal	Mill Quality Loose	1500	1500	Unch
	Bhiwani	Mill Quality Loose	1480	1490	-10
Tamil	Chennai	Mill Quality	-	-	-

Nadu	Madurai	Mill Quality	-	-	-
	Coimbatore	Mill Quality	-	-	-
FOR	Kandla(Rajasthan-Kota)	Mill Quality	-	-	-
	Gandhidham(Rajasthan-Kota)	Mill Quality	-	-	-
Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			21-8-2013	19-8-2013	
	Lawrence Road	Mill Delivery	7000	10000	-3000
	Narella	Mill Quality Loose	-	150	-
	Nazafgarh	Mill Quality Loose	-	200	-
Gujarat	Rajkot	Mill Delivery	-	-	-
	Ahmadabad	Mill Delivery	-	-	-
M.P.	Bhopal	Lokwan	-	-	-
	Indore	Mill Delivery	-	-	-
Rajasthan	Kota	Mill Quality	-	-	-
U.P.	Kanpur	Mill Delivery	-	-	-
	Mathura	Mill Quality Loose	-	500	-
	Kosi	Mill Quality Loose	100	1000	-900
	Hathras	Mill Quality Loose	-	150	-
Punjab	Khanna	Mill Quality Loose	400	300	100
Haryana	Sirsa	Mill Quality Loose	200	100	100
	Hodal	Mill Quality Loose	-	100	-
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Quality Loose	-	-	-
	Bhiwani	Mill Quality Loose	200	200	Unch
Wheat Products Delhi		21-8-2013	19-8-2013	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)		593	593	Unch	
Chokar (34 kg)		372	372	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	