

## Wheat Domestic Fundamentals:

- Traders in M.P has revealed that wheat demand is coming from local market and Maharashtra, traders are selling wheat at Rs 1700-1720/Q, delivered basis to millers in Maharashtra. Whereas south Indian millers are buying wheat from U.P, Rajasthan majorly at Rs 1800-1825/Q, delivered basis.
- 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:

- China has recently bought Australian standard white wheat at USD 330/MT, CNF for December delivery. China might buy 4 million tonnes of Australian wheat in next marketing year beginning from 1<sup>st</sup> Oct overtaking Indonesia as largest Australian wheat importer.
- 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.

**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	-2	1585	1589	1583	1584	2,230	1,650	6,250	1,390
Oct-13	-3	1592	1592	1589	1590	490	290	3,820	-10
Nov-13	-1	1603	1603	1603	1603	10	-20	210	0

Spread	Sept-13	Oct-13	Nov-13	Dec-13
Spot	-4			
Sept-13		6		
Oct-13			13	
Nov-13				-

Stocks	Demat	In-Process	Total	FED
	<b>21.8.2013</b>	<b>21.8.2013</b>	<b>21.8.2013</b>	<b>19.8.2013</b>
Delhi	15345	0	15345	15325
Itarsi	-	-	-	-
Kanpur	52	0	52	52
Kota	-	-	-	-

## Wheat (CBOT) On 21.08.2013(Bushels/Cent)

Contract	Open	High	Low	Close	+/-
Sept-13	634.75	646.75	634.25	638.75	4.5
Dec-13	646.5	658.75	645.25	649.25	3.25
Mar-14	658	670	657	660.75	3.25
May-14	664.75	676	663.5	667	3
Jul-14	662.75	672.5	659.5	662.5	0.75
Sept-14	673.25	680	671.25	672.75	1

## Wheat Daily Prices and Arrivals on 22.08.2013

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			22-8-2013	21-8-2013	
Delhi	Lawrence Road	Mill Delivery	1580	1575	5
	Narella	Mill Quality Loose	1530	-	-
	Nazafgarh	Mill Quality Loose	1515	-	-
Gujarat	Rajkot	Mill Delivery	1640	1640	Unch
	Ahmedabad	Mill Delivery	1705	1720	-15
	Surat	Mill Delivery	1730	1750	-20
M.P.	Bhopal	Lokwan	1800	-	-
	Indore	Mill Delivery	1625	-	-
Rajasthan	Kota	Mill Quality Loose	1510	-	-
		Mill Delivery	1600	-	-
U.P.	Kanpur	Mill Delivery	1560	-	-
	Mathura	Mill Quality Loose	-	-	-
	Kosi	Mill Quality Loose	1460	1460	Unch
	Hathras	Mill Quality Loose	1410	-	-
Punjab	Khanna	Mill Quality Loose	1430	1450	-20
	(Ludhiana)Jagraon	Mill Delivery	1500	1430	70
Haryana	Sirsa	Mill Delivery loose	1470	1470	Unch
	Hodal	Mill Delivery	1570	1570	Unch
	Karnal	Mill Quality Loose	1500	1500	Unch
	Bhiwani	Mill Quality Loose	1490	1480	10
Tamil	Chennai	Mill Quality	1865	-	-

<b>Nadu</b>	Madurai	Mill Quality	1915	-	-
	Coimbatore	Mill Quality	1915	-	-
<b>FOR</b>	Kandla(Rajasthan-Kota)	Mill Quality	1710	-	-
	Gandhidham(Rajasthan-Kota)	Mill Quality	1710	-	-
<b>Centre</b>	<b>Market</b>	<b>Variety</b>	<b>Arrivals (Bags/Qtl)</b>		<b>Change</b>
<b>Delhi</b>			<b>22-8-2013</b>	<b>21-8-2013</b>	
	Lawrence Road	Mill Delivery	8000	7000	1000
	Narella	Mill Quality Loose	300	-	-
	Nazafgarh	Mill Quality Loose	200	-	-
<b>Gujarat</b>	Rajkot	Mill Delivery	-	-	-
	Ahmadabad	Mill Delivery	-	-	-
<b>M.P.</b>	Bhopal	Lokwan	-	-	-
	Indore	Mill Delivery	-	-	-
<b>Rajasthan</b>	Kota	Mill Quality	-	-	-
<b>U.P.</b>	Kanpur	Mill Delivery	-	-	-
	Mathura	Mill Quality Loose	-	-	-
	Kosi	Mill Quality Loose	50	100	-50
	Hathras	Mill Quality Loose	150	-	-
<b>Punjab</b>	Khanna	Mill Quality Loose	300	400	-100
<b>Haryana</b>	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	50	-	-
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Quality Loose	-	-	-
	Bhiwani	Mill Quality Loose	100	200	-100
<b>Wheat Products Delhi</b>		<b>22-8-2013</b>	<b>21-8-2013</b>	<b>Change</b>	
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)		608	593	15	
Chokar (34 kg)		384	372	12	
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	