

Wheat Domestic Fundamentals:

- Wheat cash market traded steady amid sluggish trading activities. Exporters/bulk buyers stay away from bulk buying and only needless buying is taking place. Private trades have started releasing stock on fear of higher supply in the medium term due to food security bill.
- Despite weak INR wheat export from India from govt.'s stock remains bleak as other suppliers are offering very competitive price. Export in Sept. too will remain low due to price disadvantage. However, from next month some improvement can be seen as private stock will start decreasing and dependence on central pool stock will increase.
- According to traders local millers are buying wheat at Rs 1400-1425/Q in Khanna region. Wheat is reaching Pune at Rs 1800-1825/Q, delivered basis from Kanpur region. Traders in Rajkot are sourcing wheat from Kota region at Rs 1800-1850/Q, delivered basis. Supply from UP to south Indian market continues at Rs1770 to Rs 1790 on delivered basis.
- As on 1st September, wheat stock in central pool was 38.36 million tonnes which is lower than previous year 46.16 million tonne on the same date. Punjab and Haryana hold the maximum wheat stock at 14.48 million tonnes and 9.34 million tonnes respectively.
- As per IBIS data, India exported 1.31 lakh tonnes of wheat in month of August, which is lower than 4.79 lakh tonnes exported in the same month last year. Around 42000 MT was exported to Sudan and 22, 685 MT was exported to UAE.
- Indian firm LMJ lost the bid for 50,000 MT to Ismail food products for Bangladesh government wheat tenders. LMJ bid was USD 286/MT, CIF which lost to Ismail food product's USD 282.66/MT, CIF. Ukraine is the expected origin of wheat.
- Indian wheat can become competitive in South East Asian countries due to weak rupee. Traders feel that if government reduces OMSS prices than they can compete with Black sea region. South East Asian countries have shifted to Black sea region from India due to cheaper wheat availability.
- 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%

International Market Update:

- Iran plans to import 7. month on month basis. 5 million tons of wheat in a move to boost its strategic reserves. The administration has recently raised the guaranteed price for buying wheat from domestic farmers from 8,000 rials (about 33 cents) to 10,500 rials.
- GASC has bought 235,000 MT of Russian, Ukrainian and Romanian origin wheat for 11-20 November delivery at USD 251.68-254.88/MT, FOB.
- Flour Mill in Oman has bought 30,000 MT of Russian origin 12.5% protein wheat for USD 285/MT, CNF for November delivery.
- ABARES has reduced wheat production forecast for 2013-14 to 24.46 million tonnes from 25.39 million tonnes due to dry weather in eastern wheat belt and mixed weather in Western Australia too had an impact on yield.

Domestic market Outlook: Wheat is likely to trade range bound.

NCDEX Wheat Futures									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Oct-13	11	1568	1575	1590	1585	1,570	-350	-350	-360
Nov-13	1	1589	1589	1615	1615	190	-590	-590	-20
Dec-13	1	-	1615	1615	1615	190	-590	-590	-20

Spread	Sept-13	Oct-13	Nov-13	Dec-13
Spot	22			
Sept-13		19		
Oct-13			24	
Nov-13				-

Stocks	Demat	In-Process	Total	FED
	17.9.2013	17.9.2013	17.9.2013	16.9.2013
Delhi	12871	0	12871	12871
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota				

Wheat (CBOT) On 16.09.2013(Bushels/Cent)

Contract	Open	High	Low	Close	+/-
13-Dec	641.25	652.00	641.25	643.00	1.75
14-Mar	653.75	662.25	651.50	653.50	1.50
14-May	656.75	665.00	656.50	658.50	2.00
14-Jul	653.75	663.00	652.50	654.75	0.75
14-Sep	663.25	665.00	657.75	659.00	-0.25
14-Dec	671.50	671.50	664.25	667.00	unch

Wheat Daily Prices and Arrivals on 16.09.2013

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			9/18/2013	9/17/2013	
Delhi					
	Lawrence Road	Mill Delivery	1600	1602	-2
	Narella	Mill Quality Loose	-	1545	-
	Nazafgarh	Mill Quality Loose	-	1545	-
Gujarat	Rajkot	Mill Delivery	1575	1575	Unch
	Ahmedabad	Mill Delivery	1740	1740	Unch
	Surat	Mill Delivery	1760	1760	Unch
M.P.	Bhopal	Lokwan	Closed	1640	-
	Indore	Mill Delivery	Closed	1650	-
Rajasthan	Kota	Mill Quality Loose	Closed	1510	-
		Mill Delivery	Closed	1605	-
U.P.	Kanpur	Mill Delivery	1565	1570	-5
	Mathura	Mill Quality Loose	1470	1470	Unch
	Kosi	Mill Quality Loose	1500	1500	Unch
	Hathras	Mill Quality Loose	1445	1450	-5
Punjab	Khanna	Mill Quality Loose	1430	1430	Unch
	(Ludhiana)Jagraon	Mill Delivery	1500	1500	Unch
Haryana	Sirsa	Mill Delivery loose	1500	1500	Unch
	Hodal	Mill Delivery	1600	1600	Unch
	Karnal	Mill Delivery	1545	-	-
	Bhiwani	Mill Quality Loose	1535	1525	10

Tamil Nadu	Chennai	Mill Quality	-	1870	-
	Madurai	Mill Quality	-	1927	-
	Coimbatore	Mill Quality	-	1927	-
FOR	Kandla(Rajasthan-Kota)	Mill Quality	-	1730	-
	Gandhidham(Rajasthan-Kota)	Mill Quality	-	1730	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi					
	Lawrence Road	Mill Delivery	940	940	Unch
	Narella	Mill Quality Loose	2112	2112	Unch
	Nazafgarh	Mill Quality Loose	1155	1155	Unch
Gujarat	Rajkot	Mill Quality Loose	1180	1180	Unch
	Ahmadabad	Mill Delivery	628	628	Unch
M.P.	Bhopal	Lokwan	428	428	Unch
	Indore	Mill Quality Loose	985	985	Unch
Rajasthan	Kota	Mill Quality	985	985	Unch
U.P.	Kanpur	Mill Delivery	1816	1816	Unch
	Mathura	Mill Quality Loose	990	990	Unch
	Kosi	Mill Quality Loose	500	500	Unch
	Hathras	Mill Quality Loose	500	400	100
Punjab	Khanna	Mill Quality Loose	500	600	-100
Haryana	Sirsa	Mill Quality Loose	200	300	-100
	Hodal	Mill Quality Loose	200	200	Unch
	Panipat	Mill Quality Loose	NA	NA	-
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	200	400	-200

Wheat Products Delhi	9/18/2013	9/17/2013	Change
Atta (50kg) Ordinary	940	940	Unch
Maida Grade 1 (90kg)	2112	2112	Unch
Maida Grade 1 (50KG)	1155	1155	Unch
Suji (50kg)	1180	1180	Unch
Chokar (50 kg)	628	628	Unch
Chokar (34 kg)	428	428	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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