

Wheat Domestic Fundamentals:

- Wheat traded flat in major bench markets at the weekend. No major bulk buying was reported as exporters remained sidelined. At millers end only needful buying is taking place. We expect market to trade steady even in the next week.
- Stocks in private hand are ample for the short term requirements. However, it will start decreasing from mid October and tight supply may occur at October end. It would enhance offtake from central pool stock. In a latest development Madhya Pradesh govt. has exempted state-owned cooperative agencies from purchase tax on wheat purchase.
- Rake loading from Kota to Kottayam continues at Rs 1900 per qtl., delivered basis. M.P.s wheat is being supplied for same destination at Rs 1875 per qtl. Millers from south India is sourcing wheat from Uttar Pradesh at Rs 1800 to Rs 1850 per qtl.
- 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 considerably decreased in August to 7.60% year on year basis from 13.42% in July 2013. Though WPI has decreased marginally 205.3 in August from 206.2 in July 2013.

International Market Update:

- New-crop Australian standard wheat was quoted around \$300-\$310 a tonne, including cost and freight to Southeast Asia, up around \$10 from last week. Australian prime wheat was being offered around \$315-\$317 a tonne and Australian hard wheat at \$330 a tonne.
- Australian wheat is also in strong demand as its spread with Black Sea wheat has narrowed in Asia. Australian standard wheat is selling at premium of \$12-\$15 to Black Sea wheat, down from a spread of \$30 a tonne a couple of weeks ago.
- Statistics Canada said that total wheat production in Canada is expected to reach 30.6 million tonnes this year — up 12.9 per cent from 2012. Statistics Canada will release final production estimates for 2013 on Dec. 4.
- 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 trade steady.

| NCDEX Wheat Futures | | | | | | | | | |
|---------------------|-----|------|------|------|-------|--------|--------|-------|--------|
| Contract | +/- | Open | High | Low | Close | Volume | Change | OI | Change |
| Oct-13 | 1 | 1560 | 1560 | 1560 | 1560 | 150 | 0 | 150 | 0 |
| Nov-13 | -9 | 1554 | 1554 | 1541 | 1546 | 3,140 | 2,030 | 5,300 | -1,440 |
| Dec-13 | -11 | 1574 | 1574 | 1564 | 1567 | 470 | -300 | 800 | -10 |

| Spread | Oct-13 | Nov-13 | Dec-13 | Jan-14 |
|--------|--------|--------|--------|--------|
| Spot | 30 | | | |
| Oct-13 | | -14 | | |
| Nov-13 | | | 21 | |
| Dec-13 | | | | - |

| Stocks | Demat | In-Process | Total | FED |
|--------|------------------|------------------|------------------|------------------|
| | 23.9.2013 | 23.9.2013 | 23.9.2013 | 23.9.2013 |
| Delhi | 11908 | 0 | 11908 | 12871 |
| Itarsi | - | - | - | - |
| Kanpur | - | - | - | - |
| Kota | | | | |

Wheat (CBOT) On 23.09.2013(Bushels/Cent)

| Contract | Open | High | Low | Close | +/- |
|----------|--------|--------|--------|--------|------|
| 13-Dec | 645.5 | 656.75 | 645.5 | 653.5 | 7.25 |
| 14-Mar | 657 | 667.25 | 656.75 | 664 | 7 |
| 14-May | 662.75 | 672.75 | 662.25 | 670 | 7.25 |
| 14-Jul | 658 | 667 | 657 | 663 | 5.5 |
| 14-Sep | 662.25 | 672.25 | 662.25 | 668.5 | 6 |
| 14-Dec | 674.25 | 681.5 | 673.25 | 679.25 | 6 |

Wheat Daily Prices and Arrivals on 21.09.2013

| Centre | Market | Variety | Prices (Rs/Qtl) | | Change |
|-----------|-------------------|---------------------|-----------------|-----------|--------|
| | | | 9/24/2013 | 9/23/2013 | |
| New Delhi | Lawrence Road | Mill Delivery | 1590 | 1605 | -15 |
| | Narella | Mill Quality Loose | 1555 | 1575 | - |
| | Nazafgarh | Mill Quality Loose | 1555 | 1560 | - |
| Gujarat | Rajkot | Mill Delivery | 1640 | 1640 | Unch |
| | Ahmedabad | Mill Delivery | 1730 | 1730 | Unch |
| | Surat | Mill Delivery | 1750 | 1750 | Unch |
| M.P. | Bhopal | Lokwan | 1600 | 1600 | - |
| | Indore | Mill Delivery | 1640 | 1640 | - |
| Rajasthan | Kota | Mill Quality Loose | 1480 | Closed | - |
| | | Mill Delivery | 1560 | Closed | - |
| U.P. | Kanpur | Mill Delivery | 1570 | 1570 | Unch |
| | Mathura | Mill Quality Loose | 1475 | 1470 | 5 |
| | 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 | 1610 | -10 |
| | Karnal | Mill Delivery | 1520 | 1520 | Unch |
| | Bhiwani | Mill Quality Loose | 1560 | 1540 | 20 |

| Tamil Nadu | Chennai | Mill Quality | 1800 | Closed | - |
|--------------------------------|----------------------------|--------------------|----------------------------|------------------|---------------|
| | Madurai | Mill Quality | 1857 | Closed | - |
| | Coimbatore | Mill Quality | 1857 | Closed | - |
| FOR | Kandla(Rajasthan-Kota) | Mill Quality | NA | Closed | - |
| | Gandhidham(Rajasthan-Kota) | Mill Quality | NA | Closed | - |
| Centre | Market | Variety | Arrivals (Bags/Qtl) | | Change |
| Delhi | | | 9/24/2013 | 9/23/2013 | |
| | Lawrence Road | Mill Delivery | 10000 | 12000 | -2000 |
| | Narella | Mill Quality Loose | 1200 | 1000 | - |
| | Nazafgarh | Mill Quality Loose | 250 | 300 | - |
| Gujarat | Rajkot | Mill Quality Loose | 600 | 1200 | -600 |
| | Ahmadabad | Mill Delivery | NA | NA | - |
| M.P. | Bhopal | Lokwan | NA | NA | - |
| | Indore | Mill Quality Loose | 3000 | 3000 | Unch |
| Rajasthan | Kota | Mill Quality | 5000 | Closed | - |
| U.P. | Kanpur | Mill Delivery | NA | NA | - |
| | Mathura | Mill Quality Loose | 300 | 300 | Unch |
| | Kosi | Mill Quality Loose | 500 | 500 | Unch |
| | Hathras | Mill Quality Loose | 700 | 350 | 350 |
| Punjab | Khanna | Mill Quality Loose | 400 | 500 | -100 |
| Haryana | Sirsa | Mill Quality Loose | 200 | 200 | Unch |
| | Hodal | Mill Quality Loose | 200 | 100 | 100 |
| | Panipat | Mill Quality Loose | NA | NA | - |
| | Karnal | Mill Quality Loose | NA | NA | - |
| | Bhiwani | Mill Quality Loose | 200 | 150 | 50 |
| Wheat Products at Delhi | | 9/24/2013 | 9/23/2013 | 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) | | 618 | 618 | Unch | |
| Chokar (34 kg) | | 419 | 419 | 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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