

Wheat Domestic Fundamentals:

- FCI can sell 1 million tonnes of wheat from its godown to small flour mill from any part of the country. This might bring down prices.
- 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/Q, delivered basis. M.P wheat is being supplied for same destination at Rs 1875/Q. 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 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:

- Chinese domestic prices have hit record high to lack of high quality wheat. Prices have increased by 9% after the latest harvest hit the market in June. China has already bought 6 million tonnes of US wheat and might buy more from Canada and Australia to quell rising prices.
- The Argentinean agriculture ministry has cut its wheat planting area estimate to 3.4 million from a previous forecast of 3.9 million hectares, citing dry soils left by a rainless August and early September. There are apprehension that yield may be substantially lost after recent frost hit the wheat crop which is in weather sensitive stage in Buenos Aires, Cordoba and Santa Fe states.
- In a tender issued by Iraq's state grain buying agency to buy 50000 MT wheat, lowest bid was offered at USD 310.31/MT, CNF for Ukrainian origin wheat. In a tender issued by Tunisia's state grain buying agency to buy optional origin Durum wheat, Tunis bought 25,000 tonnes at USD 352.48/MT CNF, 17000 tonnes at USD 354.80/MT C&F and 17,000 tonnes at USD 356.20/MT, CNF.

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	6	1544	1559	1542	1551	680	-2,460	5,250	-50
Dec-13	9	1562	1595	1561	1576	1,600	1,130	1,050	250

Wheat Daily Report

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Spread	Oct-13	Nov-13	Dec-13	Jan-14
Spot	30			
Oct-13		-9		
Nov-13			25	
Dec-13				-

Stocks	Demat	In-Process	Total	FED
	24.9.2013	24.9.2013	24.9.2013	23.9.2013
Delhi	11908	0	11908	12871
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota				

Wheat (CBOT) On 24.09.2013(Bushels/Cent)

Contract	Open	High	Low	Close	+/-
13-Dec	653.75	660.00	649.50	658.25	4.75
14-Mar	664.00	670.25	660.00	668.50	4.50
14-May	670.50	675.75	665.50	673.75	3.75
14-Jul	663.50	668.25	658.25	666.50	3.50
14-Sep	669.00	673.25	664.00	671.50	3.00
14-Dec	675.00	683.75	674.75	683.25	4.00

Wheat Daily Prices and Arrivals on 25.09.2013

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			9/25/2013	9/24/2013	
Delhi					
	Lawrence Road	Mill Delivery	1590	1590	Unch
	Narella	Mill Quality Loose	-	1555	-
	Nazafgarh	Mill Quality Loose	-	1555	-
Gujarat	Rajkot	Mill Delivery	1630	1640	-10
	Ahmedabad	Mill Delivery	1700	1730	-30
	Surat	Mill Delivery	1725	1750	-25
M.P.	Bhopal	Lokwan	1625	1600	25
	Indore	Mill Delivery	1630	1640	-10
Rajasthan	Kota	Mill Quality Loose	1480	1480	Unch
		Mill Delivery	1570	1560	10
U.P.	Kanpur	Mill Delivery	1565	1570	-5
	Mathura	Mill Quality Loose	1475	1475	Unch
	Kosi	Mill Quality Loose	1500	1500	Unch
	Hathras	Mill Quality Loose	1440	1445	-5
Punjab	Khanna	Mill Quality Loose	1425	1430	-5
	(Ludhiana)Jagraon	Mill Delivery	1500	1500	Unch
Haryana	Sirsa	Mill Delivery loose	1505	1500	5
	Hodal	Mill Delivery	1600	1600	Unch
	Karnal	Mill Delivery	1535	1520	15
	Bhiwani	Mill Quality Loose	1560	1560	Unch
Tamil	Chennai	Mill Quality	1825	1800	25

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Nadu	Madurai	Mill Quality	1882	1857	25
	Coimbatore	Mill Quality	1882	1857	25
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1680	NA	-
	Gandhidham(Rajasthan-Kota)	Mill Quality	1680	NA	-
Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			9/25/2013	9/24/2013	
	Lawrence Road	Mill Delivery	9000	10000	-1000
	Narella	Mill Quality Loose	-	1200	-
	Nazafgarh	Mill Quality Loose	-	250	-
Gujarat	Rajkot	Mill Quality Loose	1000	600	400
	Ahmadabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	2000	3000	-1000
Rajasthan	Kota	Mill Quality	6000	5000	1000
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	700	Unch
Punjab	Khanna	Mill Quality Loose	600	400	200
Haryana	Sirsa	Mill Quality Loose	300	200	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	200	Unch
Wheat Products Delhi			9/25/2013	9/24/2013	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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