

Wheat Domestic Fundamentals:

- Wheat production would exceed the record 94.9million tonnes (mt) this year according to the agriculture minister.
- 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	-5	1547	1552	1542	1547	800	650	5,130	4,980
Nov-13	-13	1578	1578	1550	1569	950	270	980	-4,270
Dec-13	-2	1595	1595	1576	1586	390	-1,210	790	-260

Spread	Oct-13	Nov-13	Dec-13	Jan-14
Spot	20			
Oct-13		22		
Nov-13			17	
Dec-13				29

Stocks	Demat	In-Process	Total	FED
	25.9.2013	25.9.2013	25.9.2013	23.9.2013
Delhi	11908	0	11908	12871
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	-	-	-	-

Wheat (CBOT) On 25.09.2013(Bushels/Cent)

Contract	Open	High	Low	Close	+/-
13-Dec	657.50	675.00	657.50	670.50	12.25
14-Mar	668.25	684.75	668.25	680.75	12.25
14-May	674.00	689.75	673.75	685.50	11.75
14-Jul	667.50	680.25	666.50	677.00	10.50
14-Sep	673.75	684.50	671.50	682.00	10.50
14-Dec	686.00	694.25	683.25	691.75	8.50

Wheat Daily Prices and Arrivals on 26.09.2013

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			9/26/2013	9/25/2013	
Delhi	Lawrence Road	Mill Delivery	1590	1590	Unch
	Narella	Mill Quality Loose	1560	-	-
	Nazafgarh	Mill Quality Loose	1550	-	-
Gujarat	Rajkot	Mill Delivery	1630	1630	Unch
	Ahmedabad	Mill Delivery	1700	1700	Unch
	Surat	Mill Delivery	1725	1725	Unch
M.P.	Bhopal	Lokwan	-	1625	-
	Indore	Mill Delivery	1640	1630	10
Rajasthan	Kota	Mill Quality Loose	1480	1480	Unch
		Mill Delivery	1570	1570	Unch
U.P.	Kanpur	Mill Delivery	1565	1565	Unch
	Mathura	Mill Quality Loose	1470	1475	-5
	Kosi	Mill Quality Loose	1500	1500	Unch
	Hathras	Mill Quality Loose	1450	1440	10
Punjab	Khanna	Mill Quality Loose	1425	1425	Unch
	(Ludhiana)Jagraon	Mill Delivery	1500	1500	Unch
Haryana	Sirsa	Mill Delivery loose	1505	1505	Unch
	Hodal	Mill Delivery	1600	1600	Unch
	Karnal	Mill Delivery	1535	1535	Unch
	Bhiwani	Mill Quality Loose	1550	1560	-10

Wheat Daily Report

27th September 2013

Tamil Nadu	Chennai	Mill Quality	1800	1825	-25
	Madurai	Mill Quality	1857	1882	-25
	Coimbatore	Mill Quality	1857	1882	-25
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1670	1680	-10
	Gandhidham(Rajasthan-Kota)	Mill Quality	1670	1680	-10

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			9/26/2013	9/25/2013	
Delhi	Lawrence Road	Mill Delivery	1000	9000	-8000
	Narella	Mill Quality Loose	1000	-	-
	Nazafgarh	Mill Quality Loose	300	-	-
	Rajkot	Mill Quality Loose	200	1000	-800
Gujarat	Ahmadabad	Mill Delivery	NA	NA	-
	Bhopal	Lokwan	NA	NA	-
M.P.	Indore	Mill Quality Loose	2500	2000	500
	Kota	Mill Quality	5000	6000	-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	150	700	-550
Punjab	Khanna	Mill Quality Loose	400	600	-200
Haryana	Sirsa	Mill Quality Loose	200	300	-100
	Hodal	Mill Quality Loose	100	200	-100
	Panipat	Mill Quality Loose	NA	NA	-
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	200	200	Unch

Wheat Products Delhi		9/26/2013	9/25/2013	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)		608	618	-10
Chokar (34 kg)		410	419	-9
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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