

Wheat Domestic Fundamentals:

- Cash wheat market reeled under pressure on the back of better prospect of supply side in the months ahead despite seasonal factors. Stock allocation from central pool through OMSS for various consuming states will continue to reign market. Short supply through private channel is likely to be compensated by govt.'s stock and allocations.
- 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.
- 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.
- 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:

- Unlike domestic market, global wheat markets have improved slightly on the back of increasing possibility of crop loss in Argentina due to dry spell. As per latest weather update there is no chance of rains in next 15teen days there and if dryness persists, considerable crop loss is a visible possibility.
- Besides, some other bullish factors like freight increase for Brazil to China(surge by 0.2% to USD31.008 per tonne and Australia to China voyage increase by 3.8% to USD 13.855 per tonne) may add support to global wheat market. However, any bull run is unlikely due to good crop prospects in other major wheat producing countries.
- 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	0	1542	1550	1541	1545	630	420	5010	4980
Nov-13	0.26	1569	1577	1560	1571	600	-60	1090	-4250
Dec-13	0.13	1585	1585	1585	1585	60	-1520	820	-250

Spread	Oct-13	Nov-13	Dec-13	Jan-14
Spot	48			
Oct-13		24		
Nov-13			15	
Dec-13				-

Stocks	Demat	In-Process	Total	FED
	26.9.2013	26.9.2013	26.9.2013	23.9.2013
Delhi	11678	0	11678	12871
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	-	-	-	-

Wheat (CBOT) On 26.09.2013(Bushels/Cent)

Contract	Open	High	Low	Close	+/-
13-Dec	671.00	679.00	668.50	678.25	7.75
14-Mar	681.00	689.00	679.00	688.25	7.50
14-May	685.50	693.25	683.00	692.25	6.75
14-Jul	677.00	684.25	674.50	683.25	6.25
14-Sep	683.75	688.75	679.25	688.00	6.00
14-Dec	691.50	699.00	689.00	697.25	5.50

Wheat Daily Prices and Arrivals on 27.09.2013

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			9/27/2013	9/26/2013	
Delhi	Lawrence Road	Mill Delivery	1595	1590	5
	Narella	Mill Quality Loose	1560	1560	Unch
	Nazafgarh	Mill Quality Loose	1550	1550	Unch
Gujarat	Rajkot	Mill Delivery	1630	1630	Unch
	Ahmedabad	Mill Delivery	1700	1700	Unch
	Surat	Mill Delivery	1720	1725	-5
M.P.	Bhopal	Lokwan	-	-	-
	Indore	Mill Delivery	1640	1640	Unch
Rajasthan	Kota	Mill Quality Loose	1485	1480	5
		Mill Delivery	1570	1570	Unch
U.P.	Kanpur	Mill Delivery	1565	1565	Unch
	Mathura	Mill Quality Loose	1470	1470	Unch
	Kosi	Mill Quality Loose	1500	1500	Unch
	Hathras	Mill Quality Loose	1440	1450	-10
Punjab	Khanna	Mill Quality Loose	1430	1425	5
	(Ludhiana)Jagraon	Mill Delivery	1500	1500	Unch
Haryana	Sirsa	Mill Delivery loose	1505	1505	Unch
	Hodal	Mill Delivery	1600	1600	Unch
	Karnal	Mill Delivery	1525	1535	-10
	Bhiwani	Mill Quality Loose	1560	1550	10

Wheat Daily Report

28th September 2013

Tamil Nadu	Chennai	Mill Quality	1875	1800	75
	Madurai	Mill Quality	1932	1857	75
	Coimbatore	Mill Quality	1932	1857	75
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1770	1670	100
	Gandhidham(Rajasthan-Kota)	Mill Quality	1770	1670	100

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			9/27/2013	9/26/2013	
Delhi	Lawrence Road	Mill Delivery	8000	1000	7000
	Narella	Mill Quality Loose	200	1000	-800
	Nazafgarh	Mill Quality Loose	200	300	-100
	Rajkot	Mill Quality Loose	600	200	400
Gujarat	Ahmadabad	Mill Delivery	NA	NA	-
	Bhopal	Lokwan	NA	NA	-
M.P.	Indore	Mill Quality Loose	2000	2500	-500
	Kota	Mill Quality	4000	5000	-1000
U.P.	Kanpur	Mill Delivery	NA	NA	-
	Mathura	Mill Quality Loose	600	300	300
	Kosi	Mill Quality Loose	500	500	Unch
	Hathras	Mill Quality Loose	400	150	250
Punjab	Khanna	Mill Quality Loose	400	400	Unch
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	100	100	Unch
	Panipat	Mill Quality Loose	NA	NA	-
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	150	200	-50

Wheat Products Delhi		9/27/2013	9/26/2013	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	608	Unch
Chokar (34 kg)		410	410	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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