

Wheat Domestic Fundamentals:

- **Wheat procurement volume has improved considerably in the last week of April** despite sluggish start in the first fortnight. It may improve further once arrivals in Punjab increases. Till 30th April, FCI and other procurement agencies had procured 178 lakh tonne wheat. It is almost 30 percent lower than last year till date. Uttar Pradesh, Bihar and Punjab would contribute higher volume from Mid May as harvesting started at least three weeks delay. Govt. has set procurement target at 31 million tonne wheat this year. The target seems within reach as procurement in Punjab and Uttar Pradesh is yet to pick up.
- **Uttar Pradesh and Bihar would contribute more wheat this year to the central pool** kitty as production in both states are said to be satisfactory, slightly higher than last year. Harvesting in both the states continued and higher arrivals are expected from mid May. Reports from Bihar suggest that farmers are getting 11 to 12 qt. wheat per bigha this year against 10 to 10.5 qtl. last year. Average yield in western U.P. is normal while eastern U.P., as report suggests, may realized 5 to 7 percent higher yield this year.
- **States like M.P. and Rajasthan have not contributed as per expectation** till now. Quality/crop loss in M.P., Rajasthan too remains a problem at procurement front. In Madhya Pradesh the arrival dropped from 4.25 million tonnes to 3.17 million tonne.
- **Given tight global stocks position, freeze damage, drought conditions in Canada**, political uncertainty in the Ukraine and possibility of lower production in Australia due to impending El-Nino impact, wheat prices should remain relatively strong through June and into July in the global wheat market. It may disrupt normal supply chain and demand for Indian wheat may increase. At this point of time FoB of India is around \$278.37 as compare to \$295 of Ukraine.

International Market Update:

- **A group of animal feed makers in the Philippines** has purchased 52,500 tonnes of Australian-origin feed wheat at \$325.25/tonne C&F form June-July shipment.
- **Canada's total wheat area could decrease 4.8% to 24.8 million acres in 2014.** Specifically, seeding intentions for spring wheat show a 5.6% decline from 2013 to 18.0 million acres in 2014, while acreage of durum wheat is expected to decrease 2.6% to 4.8 million acres.
- **In Saskatchewan, intentions show spring wheat acreage falling to 8.6 million acres in 2014**, down 9.2% from 2013. Durum wheat acreage is expected to fall 1.5% to 4.3 million acres.
- **IGC has revised down Global Wheat production estimate** from 709 million tonne(2013-14) to 700 million tonne in 2014-15.

Domestic market Outlook:

Cash wheat market is likely to trade steady to slightly firm due to export demand.

NCDEX Wheat Futures							Date:03:05:2014		
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
May-14	7	1560	1565	1553	1560	4,020	1,610	7,030	-2,060
Jun-14	4	1594	1594	1584	1588	3,250	760	9,390	-110
July-14	-1	1618	1623	1615	1616	600	-190	4,320	-40

Spread	Mar-14	Apr-14	May-14	June-14
Spot	-25			
May-14		28		
Jun-14			28	
July-14				-

Stocks	Demat	In-Process	Total	FED
	4.5.2014	4.5.2014	4.5.2014	29.4.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	1900	249	2149	1701
Rajkot	-	-	-	-

Wheat (CBOT) On 2.5.2014(Bushels/Cent)

Contract	Open	High	Low	Close	+/-
14-May	701.75	710.5	698	707.75	9
14-Jul	709.25	720.75	706.25	716	8.75
14-Sep	717	728.75	714.75	724.25	8.25
14-Dec	731.5	742.5	728.5	737.75	8
15-Mar	745.75	752.25	741	749.25	7.5
15-May	751.75	756	747.25	755	7.75

Wheat Daily Prices and Arrivals on 5.5.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			5-May-14	03-May-14	
Delhi	Lawrence Road	Mill Delivery	1535	1535	Unch
	Narella	Mill Quality Loose	1485	1500	-15
	Nazafgarh	Mill Quality Loose	1500	1470	30
Gujarat	Rajkot	Mill Delivery	1640	1650	-10
	Ahmedabad	Mill Delivery	1650	1660	-10
	Surat	Mill Delivery	1675	1680	-5
M.P.	Bhopal	Lokwan	1700	1700	Unch
	Indore	Mill Delivery	NA	NA	NA
Rajasthan	Kota	Mill Quality Loose	1520	1520	Unch
		Mill Delivery	1500	1500	Unch
U.P.	Kanpur	Mill Delivery	1525	1525	Unch
	Mathura	Mill Quality Loose	1440	1420	20

	Kosi	Mill Quality Loose	NA	1400	-
	Hathras	Mill Quality Loose	1400	1400	Unch
	Aligarh	Mill Quality Loose	1425	NA	-
Punjab	Khanna	Mill Quality Loose	1410	1405	5
	(Ludhiana)Jagraon	Mill Delivery	1490	1500	-10
Haryana	Sirsa	Mill Delivery loose	1400	1400	Unch
	Hodal	Mill Delivery	1550	1550	Unch
	Bhiwani	Mill Quality Loose	1430	1440	-10
	Karnal	Mill Quality Loose	1400	1400	Unch
	Panipat	Mill Quality Loose	1400	1400	Unch
Tamil Nadu	Chennai	Mill Quality	1875	1875	Unch
	Madurai	Mill Quality	1932	1932	Unch
	Coimbatore	Mill Quality	1932	1932	Unch
Bihar	Sitamari	Mill Delivery	1500	1500	Unch
	Khagariya	Mill Delivery	NA	NA	-
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1670	1670	Unch
	Gandhidham(Rajasthan-Kota)	Mill Quality	1670	1670	Unch

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			5-May-14	3-May-14	
	Lawrence Road	Mill Delivery	10000	14000	-4000
	Narella	Mill Quality Loose	3500	3500	Unch
	Nazafgarh	Mill Quality Loose	600	2000	-1400
Gujarat	Rajkot	Mill Quality Loose	9000	4000	5000
	Ahmadabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	6000	6000	Unch
	Indore	Mill Quality Loose	7000	7000	Unch
Rajasthan	Kota	Mill Quality	3000	3000	Unch
U.P.	Kanpur	Mill Quality Loose	1100	1100	Unch
	Mathura	Mill Quality Loose	10000	5000	5000
	Kosi	Mill Quality	NA	10000	-

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		Loose			
	Hathras	Mill Quality Loose	750	1000	-250
	Aligarh	Mill Quality Loose	10000	NA	-
Punjab	Khanna	Mill Quality Loose	20000	650000	- 6E+05
	(Ludhiana)Jagraon	Mill Quality Loose	10000	30000	- 20000
Haryana	Sirsa	Mill Quality Loose	2000	5000	-3000
	Hodal	Mill Quality Loose	1500	1500	Unch
	Bhiwani	Mill Quality Loose	7000	5000	2000
	Karnal	Mill Quality Loose	12000	10000	2000
	Panipat	Mill Quality Loose	25000	40000	- 15000

Wheat Products Delhi	5-May-14	3-May-14	Change
Atta (50kg) Ordinary	960	960	Unch
Maida Grade 1 (90kg)	2112	2112	Unch
Maida Grade 1 (50KG)	1155	1155	Unch
Suji (50kg)	1180	1180	Unch
Chokar (50 kg)	666	666	Unch
Chokar (34 kg)	417	417	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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