

Wheat Domestic Fundamentals:

- **Wheat cash market traded lower on Saturday amid sluggish trading** activities at the weekend. Wheat may extend its loss as govt.'s 3rd adv. Estimate has pegged wheat production at 95.85 million tonne against 93.51 million tonne last year.
- **Record production. lower procurement(around 27/28 million tonne likely)** and lower export volume this year may impact wheat price in the rest of May& June. Higher availability in domestic market would weigh on market fundamentals. Prices of wheat may dip Rs 25 to Rs40 per qtl. in the coming weeks.
- **At global front, supply would remain ample . As per latest USDA** update global wheat supply will rise 0.5 percent to 187.4 million tonne by the end of May,2015. Corn supply too will increase. Notably,wheat is substitute to corn and both are used for cattle feed.
- **Overall grain supply will touch the highest level since 2001.**At supply front ample stock would not allow market to get firmer even if US weather remains unfavourable. More dip in global market would directly impact Indian wheat export opportunity.
- **As election is over and more interstate business is expected in the** weeks ahead, supply would increase and it may have bearish impact on sentiments. Private millers have fulfilled their requirements at least for two months in anticipation of higher price. So demand may come down in declining market trend.
- **There is a report from Uttar Pradesh that almost 3 percent wheat is infected** with Karan Bunt and one percent from black hoppers. However, overall grain quality is good. Harvesting is almost over. Recent rains have impacted threshing activities in some area.
- **Farmers this year have retained 10 percent more crop in anticipation of** higher realization in lean season and continuation of export. Govt procurement may touch 28 million tonne as UP. would contribute more now.
- **Wheat stock in central pool warehouses was registered at 34.40 million T** on 01 May compared to 17.83 million T on 1st April 2014. The highest accumulated stock is in Punjab (8.51 million T) followed by Madhya Pradesh (6.34 million tonne) and Haryana (5.70 million Tonne) as on 01.05.2014.
- **According to IBIS (provisional data), export of wheat in the month of April** was 4.27 Lakh tones which is around 48% less than last year at the same month, which was 8.32 Lakh tones in April 2013.

International Market Update:

- South Korea's Major Feedmill Group (MFG) has purchased 106,000 tonnes of feed wheat in a tender for October arrival. Some 53,000 tonnes was bought at \$283.00 a tonne c&f for arrival by Oct. 5 plus a \$1.50 a tonne surcharge for unloading at an additional port and another 53,000 tonnes was bought at \$283.50 a tonne c&f for arrival by Oct. 25 plus a \$1.50 a tonne surcharge for unloading at an additional port.
- **Jordan's state grain buyer has purchased 100,000 tonnes** of wheat which is expected to be sourced from the Black Sea region, probably Romania for shipment in September at \$311.00 a tonne c&f .
- **Global 2014/15 wheat supplies are projected down less than 1 percent** from 2013/14 as reduced beginning stocks and production in the United States offset higher foreign beginning stocks. World wheat production is projected at 697.0 million tons, down 2 percent from the 2013/14 record.

Domestic market Outlook:

Cash wheat market is likely to trade steady to slightly weak on lower demand side and higher supply.

NCDEX Wheat Futures								Date:16:05:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
May-14	3	157	1566	1556	1565	100	-30	1,160	-50
Jun-14	-1	1586	1588	1584	1587	450	-470	9,800	-190
July-14	-2	1616	1620	1615	1615	130	-350	4,450	50

Spread	Mar-14	Apr-14	May-14	June-14
Spot	-10			
May-14		22		
Jun-14			28	
July-14				-

Stocks	Demat	In-Process	Total	FED
	16.5.2014	16.5.2014	16.5.2014	12.5.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	2198	0	2198	2149
Rajkot	-	-	-	-

Wheat (CBOT) On 16.5.2014(Bushels/Cent)

Contract	Open	High	Low	Close	+/-
14-Jul	678.75	682.75	670.50	674.25	-4.00
14-Sep	688.00	691.75	679.50	683.25	-3.75
14-Dec	703.25	707.00	695.00	698.75	-4.00
15-Mar	716.00	721.25	709.50	713.50	-3.50
15-May	723.00	725.50	717.25	720.25	-3.75
15-Jul	721.25	722.75	714.50	719.00	-3.25

Wheat Daily Prices and Arrivals on 17 .5.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			17-May-2014	16-May-2014	
Delhi	Lawrence Road	Mill Delivery	1550	1555	-5
	Narella	Mill Quality Loose	1510	1510	Unch
	Nazafgarh	Mill Quality Loose	1520	1515	5
Gujarat	Rajkot	Mill Delivery	1610	1625	-15
	Ahmedabad	Mill Delivery	1650	1650	Unch
	Surat	Mill Delivery	1670	1670	Unch
M.P.	Bhopal	Lokwan	1700	1750	-50
	Indore	Mill Delivery	1600	1600	Unch
Rajasthan	Kota	Mill Quality Loose	1475	1485	-10
		Mill Delivery	1540	1560	-20
U.P.	Kanpur	Mill Delivery	1540	1530	10
	Mathura	Mill Quality Loose	Closed	Closed	-
	Kosi	Mill Delivery	1600	1600	Unch

	Hathras	Mill Quality Loose	1400	1450	-50
	Aligarh	Mill Quality Loose	1400	1410	-10
Punjab	Khanna	Mill Quality Loose	1445	1410	35
	(Ludhiana)Jagraon	Mill Delivery	1525	1525	Unch
Haryana	Sirsa	Mill Delivery loose	1400	1400	Unch
	Hodal	Mill Delivery	1540	1545	-5
	Karnal	Mill Quality Loose	1400	1400	Unch
	Bhiwani	Mill Quality Loose	1500	1450	50
	Panipat	Mill Quality Loose	1400	1400	Unch
Tamil Nadu	Chennai	Mill Quality	1800	1875	-75
	Madurai	Mill Quality	1857	1932	-75
	Coimbatore	Mill Quality	1857	1932	-75
Bihar	Sitamari	Mill Delivery	NA	NA	-
	Khagariya	Mill Delivery	1525	1525	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1625	1625	Unch
	Gandhidham(Rajasthan-Kota)	Mill Quality	1625	1625	Unch

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			17-May-2014	16-May-2014	
Delhi	Lawrence Road	Mill Delivery	12000	10000	2000
	Narella	Mill Quality Loose	1000	1500	-500
	Nazafgarh	Mill Quality Loose	500	500	Unch
	Rajkot	Mill Quality Loose	4000	3500	500
Gujarat	Ahmadabad	Mill Delivery	NA	NA	-
	Bhopal	Lokwan	NA	NA	-
M.P.	Indore	Mill Quality Loose	3500	4000	-500
Rajasthan	Kota	Mill Quality	10000	12000	-2000
U.P.	Kanpur	Mill Quality Loose	1200	1200	Unch
	Mathura	Mill Quality Loose	Closed	Closed	-
	Kosi	Mill Quality Loose	1000	2000	-1000
	Hathras	Mill Quality Loose	700	700	Unch
	Aligarh	Mill Quality Loose	10000	8000	2000
Punjab	Khanna	Mill Quality Loose	15000	25000	-10000
	(Ludhiana)Jagraon	Mill Quality Loose	1200	1000	200
Haryana	Sirsa	Mill Quality Loose	1500	2000	-500
	Hodal	Mill Quality Loose	500	500	Unch
	Karnal	Mill Quality Loose	NA	3000	-
	Bhiwani	Mill Quality Loose	800	1200	-400
	Panipat	Mill Quality Loose	100	3000	-2900

Wheat Products Delhi	17-May-14	16-May-14	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)	686	666	20
Chokar (34 kg)	439	417	22
Chakki Atta (50kg)	965	965	Unch
Chakki Atta (50kg) Special	965	965	Unch
Chakki Atta (90kg) Superfine	1800	1800	Unch
Chakki Atta (50kg) Superfine	970	970	Unch

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php> © 2014 Indian Agribusiness Systems Pvt Ltd.