

Wheat Daily Report 26th May 2014

Wheat Domestic Fundamentals:

- Wheat cash market may trade slightly lower from current level due to ample supply in the market against subdued demand from private exporters. With the ending of long stretched election phase, interstate movement started once again and it has eased supply in the open market.
- Wheat FAQ variety is being quoted at Rs 1530 per qtl. in Delhi. Prices have decreased by Rs 25 per qtl. in a week time. Agriwatch expects market to stabilize near Rs 1500 to Rs 1510 per qtl. in a couple of week.
- Export demand for Indian wheat is expected to remain subdued as buyers are well aware of bearish global market fundamentals in the short and medium term. Supply side is expected to be higher than normal global demand.
- Agriculture Ministry in its third advance estimate for the crop year 2013-14 (July-June) has estimated the wheat production at record level of 958.5 lakh tonnes. In 2012-13 crop year, output stood at 935.10 lakh tonnes.
- Wheat procurement has crossed 26.68 million tonne against 25 million tonne last year. Govt. had fixed procurement target for 2014-15 at 31 million tonne. Target is unlikely to be met as arrival pressure has decreased considerably. Procurement may end up with 28/29 million tonne this year.
- As on May 22, the procurement in Punjab so far is at 114.38 lakh tonnes, 5.45% higher than the last year's level of 108.46 lakh tonnes at the same time. Similarly in Haryana, procurement has rose to 64.73 lakh tonnes as compare to 58.70 lakh tonnes at the same time during marketing year 2013-14.
- Procurement in Madhya Pradesh and Rajasthan has also increased to 68.06 lakh tonnes and 16.26 lakh tonnes respectively so far from 62.06 lakh tonnes and 11.80 lakh tonnes at same time last year. However, in Uttar Pradesh procurement has decreased to 3.17 lakh tonnes so far, as compared to 6.60 lakh tonnes last year.

International Market Update:

- Crop from Black Sea Region, Russia-Ukraine is due in July. Recent rains in US wheat growing belt have improved the production prospects. The droughty southern Plains (US) received much needed rainfall before the weekend, which could significantly boost winter wheat harvest prospects. Discouraging export demand for US wheat signals weak global market fundamentals.
- Besides, Argentine wheat sowing expectations growing, with the farm ministry pegging area at 4.5m hectares, above a forecast from the Buenos Aires grains exchange. From October onward Australian crop would start hitting the market. All these factors signify plenty of supply in the medium term.
- Argentina's wheat area will expand to more than 4 million hectares this year from 3.6 million in the previous year due to good showing condition, need for crop rotation and high prices due to political crises in Ukraine. Ukraine and Argentina are both significant wheat producers. The price of Argentine wheat at port for export is currently \$370 per tonne, up from \$270 a year ago.U.S. wheat will be hitting in the market from July onward and then Black Sea Region followed by Argentina in December and January, so if there is any damage reported meanwhile overall sentiments will be bearish.

Domestic market Outlook:

Cash wheat market is likely to trade steady to slightly weak on ample supply side.

NCDEX	NCDEX Wheat Futures Date:24:05:2014							24:05:2014	
Contract	+/-	Open	High	Low	Close	Volum e	Change	ΟΙ	Change
Jun-14	-	-	-	-	-	-	-	-	-
July-14	-	-	-	-	-	-	-	-	-
Aug-14	-	-	-	-	-	-	-	-	-



Spread	Mar-14	Apr-14	May-14	June- 14
Spot	-			
Jun-14		-		
July-14			-	
Aug-14				-
L	1		1	

Stocks	Demat	In- Process	Total	FED
	23.5.2014	23.5.2014	23.5.2014	19.5.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	2395	0	2395	2198
Rajkot	-	-	-	-

Wheat (CBOT) On 23.5.2014(Bushels/Cent)

Contract	Open	High	Low	Close	+/-
14-Jul	660.25	663.50	651.25	652.50	-6.75
14-Sep	670.50	673.50	662.25	663.75	-6.25
14-Dec	689.25	691.25	681	682.25	-6.00
15-Mar	705	708	697.75	699.25	-6.00
15-May	715.75	715.75	706.25	707.50	-5.25
15-Jul	717.75	717.75	707.50	710.50	-4.75

Wheat Daily Prices and Arrivals on 24.5.2014

Centre	Market	Variety	Prices ((Rs/Qtl)	Change
			24-May-14	23-May-14	
Delhi	Lawrence Road	Mill Delivery	1530	1535	-5
Denn	Narella	Mill Quality Loose	1520	1500	20
	Nazafgarh	Mill Quality Loose	1490	1500	-10
	Rajkot	Mill Delivery	1600	1600	Unch
Gujarat	Ahmedabad	Mill Delivery	1645	1645	Unch
	Surat	Mill Delivery	1660	1530 1535 1520 1500 1490 1500 1600 1600 1645 1645	Unch
M.P.	Bhopal	Lokwan	1700	1700	Unch
MI.F.	Indore	Mill Delivery	1545	Iay-1423-May-1453015355201500490150060016006451645660166070017005451550450145051515354301430	-5
Rajasthan	Voto	Mill Quality Loose	1450	1450	Unch
Kajastilali	Kota	Mill Delivery	1515	1525	-10
	Kanpur	Mill Delivery	1535	1535	Unch
U.P.	Mathura	Mill Quality Loose	1430	1430	Unch
	Kosi	Mill Quality Loose	1440	1450	-10



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	Hathras	Mill Quality Loose	NR	1410	-
	Aligarh	Mill Quality Loose	1410	1410	Unch
Duniah	Khanna	Mill Quality Loose	1410	1410	Unch
Punjab	(Ludhiana)Jagraon	Mill Delivery	1520	1520	Unch
	Sirsa	Mill Delivery loose	1400	1400	Unch
	Hodal	Mill Delivery	1520	1525	-5
Haryana	Karnal	Mill Quality Loose	1400	1470	-70
-	Bhiwani	Mill Quality Loose	1540	1400	140
	Panipat	Mill Quality Loose	NA	0 1410 0 1410 0 1520 0 1400 0 1525 0 1470 0 1420 0 14525 0 1400 0 1400 0 1400 0 1400 0 1800 7 1857 7 1857 0 1550 0 1650	-
	Chennai	Mill Quality	1800	1800	Unch
Tamil Nadu	Madurai	Mill Quality	1857	1857	Unch
Huuu	Coimbatore	Mill Quality	1857	1857	Unch
Dihar	Sitamari	Mill Delivery	NA	NA	-
Bihar	Khagariya	Mill Delivery	1550	1550	Unch
EOB	Kandla(Rajasthan-Kota)	Mill Quality	1700	1650	50
FOR	Gandhidham(Rajasthan-Kota)	Mill Quality	1700	1650	50

Centre	Market	Variety	Arrivals ((Bags/Qtl)	Change
			24-May-14	23-May-14	
Delhi	Lawrence Road	Mill Delivery	10000	10000	Unch
Denn	Narella	Mill Quality Loose	1000	1200	-200
	Nazafgarh	Mill Quality Loose	1000	500	500
Gujarat	Rajkot	Mill Quality Loose	3000	3500	-500
Gujarat	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
M.F.	Indore	Mill Quality Loose	4000	2500	1500
Rajasthan	Kota	Mill Quality	10000	15000	-5000
	Kanpur	Mill Quality Loose	1000	NA	-
	Mathura	Mill Quality Loose	2500	3000	-500
U.P.	Kosi	Mill Quality Loose	1000	3000	-2000
	Hathras	Mill Quality Loose	NA	1000	-
	Aligarh	Mill Quality Loose	1000	1000	Unch
Punjab -	Khanna	Mill Quality Loose	13000	13000	Unch
runjab	(Ludhiana)Jagraon	Mill Quality Loose	2000	2000	Unch
	Sirsa	Mill Quality Loose	1000	1000	Unch
l [Hodal	Mill Quality Loose	200	300	-100
Haryana	Karnal	Mill Quality Loose	1800	1000	800
[[Bhiwani	Mill Quality Loose	1400	2000	-600
	Panipat	Mill Quality Loose	NA	NA	-



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Wheat Products Delhi	24-May-14	23-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	686	Unch
Chokar (34 kg)	439	439	Unch
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

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