

Wheat Domestic Fundamentals:

- Wheat physical markets traded in mixed sentiments on Tuesday. Supply side remains at ease against normal demand. Market participants expect more dip in the coming days.
- Wheat FAQ variety is being quoted at Rs 1528 per qtl. in Delhi. Prices have decreased by Rs 27 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:

- Indonesia has bought around 125000 tonnes of wheat from Russia at USD 290-295/tonne (c&f) for shipment between mid-July and mid-August. That compares with a price of \$305 being quoted for Indian wheat and around \$320 to \$330 a tonne offered for U.S and Australia for the same period of time. As FoB quotes of Russia remains competitive than other major wheat exporting countries many more deals are expected to be made.
- 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.

Domestic market Outlook:

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

NCDEX Wheat Futures								Date:27:05:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Jun-14	-13	1551	1554	1537	1538	1,630	-300	11,150	110
July-14	-14	1577	1581	1565	1565	1,590	910	6,520	180
Aug-14	-11	1606	1607	1592	1592	220	150	1,040	0

Spread	May-14	june-14	july-14	Aug-14
Spot	-10			
Jun-14		27		
July-14			27	
Aug-14				

Stocks	Demat	In- Process	Total	FED
	26.5.2014	26.5.2014	26.5.2014	26.5.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	2395	100	2495	2395
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 23.05.14 (USD/T)							
CONTRACT MONTH	23 May 14	Week ago (16 May 2014)	1 Month ago(21 Apr 14)	3 Month ago(20 Feb 14)	6 Month ago(20 Nov 13)	1 Year ago(20 May 13)	% Change over previous year
14-May	239.73	247.72	248.18	226.41	240.56	270.04	-11.22
14-Jul	243.86	251.03	251.67	229.99	243.31	271.60	-10.21
14-Sept	250.66	256.72	256.54	234.49	247.44	275.00	-8.85
14-Dec	256.90	262.14	261.31	237.80	249.28	277.11	-7.29
15-Mar	259.94	264.62	262.14	237.98	249.65	278.03	-6.51
15-May	261.04	264.16	256.63	234.95	247.44	273.71	-4.63

Wheat Daily Prices and Arrivals on 27.5.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
Delhi			27-May-14	26-May-14	
	Lawrence Road	Mill Delivery	1528	1530	-2
	Narella	Mill Quality Loose	1495	1500	-5
	Nazafgarh	Mill Quality Loose	1475	1500	-25
Gujarat	Rajkot	Mill Delivery	1600	1600	Unch

	Ahmedabad	Mill Delivery	1640	1635	5
	Surat	Mill Delivery	1660	1650	10
M.P.	Bhopal	Lokwan	1625	1650	-25
	Indore	Mill Delivery	1575	1545	30
Rajasthan	Kota	Mill Quality Loose	1450	1450	Unch
		Mill Delivery	1510	1525	-15
U.P.	Kanpur	Mill Delivery	1525	1525	Unch
	Mathura	Mill Quality Loose	1450	1435	15
	Kosi	Mill Quality Loose	1450	1445	5
	Hathras	Mill Quality Loose	1425	1425	Unch
	Aligarh	Mill Quality Loose	1410	NR	-
Punjab	Khanna	Mill Quality Loose	1410	1410	Unch
	(Ludhiana)Jagraon	Mill Delivery	1500	1500	Unch
Haryana	Sirsa	Mill Delivery loose	1400	1400	Unch
	Hodal	Mill Delivery	1520	1520	Unch
	Karnal	Mill Quality Loose	1400	1400	Unch
	Bhiwani	Mill Quality Loose	1500	1530	-30
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1825	1800	25
	Madurai	Mill Quality	1882	1857	25
	Coimbatore	Mill Quality	1882	1857	25
Bihar	Sitamari	Mill Delivery	NA	NA	-
	Khagariya	Mill Delivery	1550	1550	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1650	1650	Unch
	Gandhidham(Rajasthan-Kota)	Mill Quality	1650	1650	Unch

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			27-May-14	26-May-14	
Delhi					
	Lawrence Road	Mill Delivery	8000	9000	-1000
	Narella	Mill Quality Loose	1000	1200	-200
	Nazafgarh	Mill Quality Loose	400	400	Unch
Gujarat	Rajkot	Mill Quality Loose	2500	2500	Unch
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	4000	3500	500
Rajasthan	Kota	Mill Quality	12000	10000	2000
U.P.	Kanpur	Mill Quality Loose	800	800	Unch
	Mathura	Mill Quality Loose	3000	2000	1000
	Kosi	Mill Quality Loose	2000	1000	1000

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	Hathras	Mill Quality Loose	800	800	Unch
	Aligarh	Mill Quality Loose	800	NR	-
Punjab	Khanna	Mill Quality Loose	12000	15000	-3000
	(Ludhiana)Jagraon	Mill Quality Loose	1000	1000	Unch
Haryana	Sirsa	Mill Quality Loose	1000	500	500
	Hodal	Mill Quality Loose	200	200	Unch
	Karnal	Mill Quality Loose	1200	1800	-600
	Bhiwani	Mill Quality Loose	1400	1400	Unch
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	27-May-14	26-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)	422	422	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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