

Wheat Domestic Fundamentals:

- Wheat cash market traded steady on Thursday as market participants are on wait and watch mode. However market may trade weak in week ahead as there is sluggish demand. We expect market to reach near Rs 1500 to Rs 1510 per quintal in a couple of week. Wheat FAQ variety is being quoted at Rs 1530 per quintal in Delhi.
- Wheat cash market seems under pressure as supply side remains balanced. Global wheat market too remains un-supportive to the cash market fundamentals. Wheat (milling grade) price in Delhi extended its loss and more dip is expected in the weeks ahead. Rake loading from Rajasthan to Kottam continues at Rs 1900 per quintal. For Bangalore delivered price has been quoted at 1880 per quintal. Export through private trade continues. However, July onward volume may decrease due to higher domestic price. Traders expect market to move up in July and global market would dip from current level.
- Export of wheat from India may decline for the month of July and August as FoB offered at that time is less competitive than the Black Sea region. Russia is offering USD 290-295/tonnes of wheat as 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. Generally wheat domestic market prices increase from July onwards due to starting of the lean season.
- 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.

International Market Update:

- Philippines animal feed makers have purchased 105,650 tonnes of feed wheat at USD 266.75/tonne (c&f) for July/August shipment. The wheat may be sourced from the Black Sea region or European Union as FoB prices will be more competitive from other exporting countries.
- 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.

Domestic market Outlook:

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

NCDEX Wheat Futures								Date:29:05:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Jun-14	0	1548	1548	1541	1544	1,050	-320	11,080	20
July-14	0	1575	1577	1563	1566	950	-70	7,090	320
Aug-14	1	1600	1602	1595	1595	110	-50	1,140	20

Spread	May-14	june-14	july-14	Aug-14
Spot	-14			
Jun-14		22		
July-14			29	
Aug-14				

Stocks	Demat	In- Process	Total	FED
	28.5.2014	28.5.2014	28.5.2014	26.5.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	2395	1808	4203	2395
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 28.05.14 (USD/T)							
CONTRACT MONTH	28 May 14	Week ago (21 May 2014)	1 Month ago(28 Apr 14)	3 Month ago(28 Feb 14)	6 Month ago(27 Nov 13)	1 Year ago(28 May 13)	% Change over previous year
14-May	234.68	236.70	260.30	223.47	244.14	273.25	-14.12
14-Jul	238.99	248.09	263.33	226.50	246.98	274.72	-13.01
14-Sept	246.16	254.33	268.29	231.09	250.66	277.11	-11.17
14-Dec	252.31	260.39	272.70	234.68	252.77	259.48	-2.76
15-Mar	255.16	263.33	274.36	236.33	252.77	280.23	-8.95
15-May	256.26	264.07	269.12	234.13	250.66	279.32	-8.25

Wheat Daily Prices and Arrivals on 29.5.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
New Delhi			5/29/2014	5/28/2014	
	Lawrence Road	Mill Delivery	1530	1530	Unch
	Narella	Mill Quality(Loose)	1515	Closed	-
	Nazafgarh	Mill Quality(Loose)	1475	Closed	-
Gujarat	Rajkot	Mill Delivery	1600	Closed	-

	Ahmedabad	Mill Delivery	1650	Closed	-
	Surat	Mill Delivery	1670	Closed	-
Madhya Pradesh	Bhopal	Lokwan	1650	Closed	-
	Indore	Mill Delivery	1550	Closed	-
Rajasthan	Kota	Mill Quality(Loose)	1465	Closed	-
		Mill Delivery	1535	Closed	-
Uttar Pradesh	Kanpur	Mill Delivery	1515	1525	-10
	Mathura	Mill Quality(Loose)	1450	1450	Unch
	Kosi	Mill Quality(Loose)	1450	1450	Unch
	Hathras	Mill Quality(Loose)	NA	1400	-
	Aligarh	Mill Quality(Loose)	1400	Closed	-
Punjab	Khanna	Mill Quality(Loose)	1410	1410	Unch
	(Ludhiana)Jagraon	Mill Delivery	1500	1500	Unch
Haryana	Sirsa	Mill Quality(Loose)	1400	1400	Unch
	Hodal	Mill Delivery	1520	1520	Unch
	Bhiwani	Mill Quality(Loose)	1420	1425	-5
	Karnal	Mill Quality(Loose)	1390	1390	Unch
	Panipat	Mill Quality(Loose)	NA	NA	-
Tamil Nadu	Chennai	Mill Quality(Loose)	1830	Closed	-
	Madurai	Mill Quality(Loose)	1887	Closed	-
	Coimbatore	Mill Quality(Loose)	1887	Closed	-
Bihar	Sitamari	Mill Delivery	1670	1670	Unch
	Khagariya	Mill Delivery	1500	1500	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality(Loose)	1615	Closed	-
	Gandhidham(Rajasthan-Kota)	Mill Quality(Loose)	1615	Closed	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			5/29/2014	5/28/2014	
New Delhi	Lawrence Road	Mill Delivery	10000	10000	Unch
	Narella	Mill Quality(Loose)	1500	Closed	-
	Nazafgarh	Mill Quality(Loose)	500	Closed	-
Gujarat	Rajkot	Mill Quality(Loose)	3000	Closed	-
	Ahmedabad	Mill Delivery	NA	Closed	-
Madhya Pradesh	Bhopal	Lokwan	NA	Closed	-
	Indore	Mill Quality(Loose)	5000	Closed	-
Rajasthan	Kota	Mill Quality(Loose)	8000	Closed	-
Uttar Pradesh	Kanpur	Mill Delivery	NA	NA	-
	Mathura	Mill Quality(Loose)	3000	3000	Unch
	Kosi	Mill Quality(Loose)	2000	2000	Unch

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	Hathras	Mill Quality(Loose)	NA	350	-
	Aligarh	Mill Quality(Loose)	1000	Closed	-
Punjab	Khanna	Mill Quality(Loose)	13000	13000	Unch
	(Ludhiana)Jagraon	Mill Quality(Loose)	2000	2000	Unch
Haryana	Sirsa	Mill Quality(Loose)	500	500	Unch
	Hodal	Mill Quality(Loose)	1000	200	800
	Bhiwani	Mill Quality(Loose)	600	900	-300
	Karnal	Mill Quality(Loose)	1000	1000	Unch
	Panipat	Mill Quality(Loose)	NA	NA	-

Wheat Products Delhi		5/29/2014	5/28/2014	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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