

Wheat Domestic Fundamentals:

- Mixed trend was recorded in cash wheat markets at weekend .Major buyers remained sidelined as supply side is ample. Some big stake holders who have purchased wheat in bulk quantity for export purpose, may sell wheat in domestic market as parity has turned negative with lower offer by Russia/Ukraine and weak cbot.
- Wheat prices in Uttar Pradesh, Bihar, Rajasthan,M.P. and Gujarat have declined considerably during last one week and pressure on price continues as bulk buyers are reluctant to buy at current level. Only normal domestic trade is being conducted and south Indian miller are asking for discount as they have ample stock for next 15 to 20 days. Besides, Wheat(meant for export) stockists are now sellers in domestic market and they may opt to release their stock on continuous intervals. These developments in domestic market would not allow wheat to raise its head at least for a month.
- Despite ongoing issue between Russia and Ukraine, export offers on attractive price continue on large scale. Russian FOB quote has decreased from \$276 to \$250 per tonne in last 15 days. New crop in Russia and Ukraine is in good condition and both the countries have much marketable surplus to offer. New crop would start hitting the market by the end of June and it would pressurize price globally. CBOT Futures contracts too have declined in last two-three weeks. Weak export data from US, higher marketable surplus and importers reservation against buying bulk quantity remain the price limiting factors. More dip is expected in the global wheat market in the weeks ahead.
- By the end of May, 2014 total arrival of wheat in major markets registered at 34 million tonne.Out of total arrivals FCI and other state agencies have brought 76.82 percent,while private trade contribution was registered at 23.18 percent. Actually, this year private trade's buying has increased considerably with hope of better export opportunity. Higher private participation encouraged wheat price in the season and prices continue to rule over MSP in many states. This year private trades, including flour mills, have brought around 6.4 million tonne wheat.
- Wheat stock in central pool warehouses was registered at 41.58 million T on 01 May compared to 34.40 million T on 1st May 2014. The highest accumulated stock is in Punjab (16.15 million T) followed by Madhya Pradesh (8.26 million tonne) and Haryana (7.89 million Tonne) as on 01.06.2014.

International Market Update:

- Morocco's Attijariwafa Bank has signed a deal with Moroccan wheat trade federation FIAC to finance \$300 million of Russian wheat imports in the 2014-2015 season. The deal was signed in Moscow ON June 10th. Two trading companies, Louis Dreyfus Vostok and Glencore Grain, took part of the deal.
- Black Sea countries such as Russia tend to dominate wheat exports at the start of the international marketing year, which begins in July, as they offload large volumes at often attractive prices.
- According to the International Grains Council, world production is projected to fall by 2% to 694m t in 2014/15 with average yields retreating from last season's unusually high levels.
- 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.

Domestic market Outlook:

Cash wheat market is expected to trade steady to weak.

NCDEX Wheat Futures								Date:13:06:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Jun-14	25	1488	1501	1481	1501	310	-260	2,230	-20
July-14	3	1507	1510	1504	1508	910	-320	14,750	-250
Aug-14	-5	1534	1536	1527	1530	600	310	4,700	-270

Spread	May-14	june-14	july-14	Aug-14
Spot	1			
Jun-14		7		
July-14			22	
Aug-14				

Stocks	Demat	In- Process	Total	FED
	13.6.2014	13.6.2014	13.6.2014	9.6.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	7257	250	7507	6253
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 13.06.14 (USD/T)							
CONTRACT MONTH	13 June 14	Week ago (06 June 2014)	1 Month ago(14 May 14)	3 Month ago(13 Mar 14)	6 Month ago(13 Dec 13)	1 Year ago(13 June 13)	% Change over previous year
14-Mar	215.02	227.15	252.31	249.10	234.03	270.87	-20.62
14-May	219.34	231.55	256.81	252.22	237.34	273.53	-19.81
14-Jul	228.16	239.18	262.69	255.80	242.48	275.83	-17.28
14-Sep	235.14	246.07	268.11	257.91	245.33	278.03	-15.43
14-Dec	239.45	250.02	270.96	258.47	245.61	278.58	-14.05
15-Mar	240.65	252.59	270.22	254.79	242.76	275.09	-12.52

Wheat Daily Prices and Arrivals on 14.6.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			14-Jun-14	13-Jun-14	
Delhi					
	Lawrence Road	Mill Delivery	1510	1500	10
	Narella	Mill Quality Loose	1485	1475	10
	Nazafgarh	Mill Quality Loose	1465	1470	-5
Gujarat	Rajkot	Mill Delivery	1500	1510	-10
	Ahmedabad	Mill Delivery	1520	1520	Unch
	Surat	Mill Delivery	1530	1530	Unch
M.P.	Bhopal	Lokwan	1550	1550	Unch
	Indore	Mill Delivery	1520	1520	Unch

Rajasthan	Kota	Mill Quality Loose	1405	1400	5
		Mill Delivery	1480	1480	Unch
U.P.	Kanpur	Mill Delivery	1475	1475	Unch
	Mathura	Mill Quality Loose	1450	1440	10
	Kosi	Mill Quality Loose	1415	1425	-10
	Hathras	Mill Quality Loose	1400	1400	Unch
	Aligarh	Mill Quality Loose	1400	1400	Unch
Punjab	Khanna	Mill Quality Loose	1400	1400	Unch
	(Ludhiana).Jagraon	Mill Delivery	1480	1480	Unch
Haryana	Sirsa	Mill Delivery loose	1410	1410	Unch
	Hodal	Mill Delivery	1490	1490	Unch
	Karnal	Mill Quality Loose	1380	1380	Unch
	Bhiwani	Mill Quality Loose	1400	1400	Unch
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1775	1775	Unch
	Madurai	Mill Quality	1832	1832	Unch
	Coimbatore	Mill Quality	1832	1832	Unch
Bihar	Sitamari	Mill Delivery	Closed	1570	-
	Khagariya	Mill Delivery	1450	1450	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1600	1600	Unch
	Gandhidham(Rajasthan-Kota)	Mill Quality	1600	1600	Unch

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			14-Jun-14	13-Jun-14	
	Lawrence Road	Mill Delivery	5000	10000	-5000
	Narella	Mill Quality Loose	300	250	50
	Nazafgarh	Mill Quality Loose	400	200	200
Gujarat	Rajkot	Mill Quality Loose	1300	1300	Unch
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	3000	3500	-500
Rajasthan	Kota	Mill Quality	8000	9000	-1000
U.P.	Kanpur	Mill Quality Loose	700	800	-100
	Mathura	Mill Quality Loose	300	700	-400
	Kosi	Mill Quality Loose	50	100	-50
	Hathras	Mill Quality Loose	100	150	-50
	Aligarh	Mill Quality Loose	1000	2000	-1000
Punjab	Khanna	Mill Quality Loose	3000	4000	-1000
	(Ludhiana).Jagraon	Mill Quality Loose	1000	1000	Unch

Haryana	Sirsa	Mill Quality Loose	100	200	-100
	Hodal	Mill Quality Loose	100	100	Unch
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	600	600	Unch
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	14-Jun-14	13-Jun-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)	653	653	Unch
Chokar (34 kg)	385	385	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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