

## Wheat Domestic Fundamentals:

- Wheat cash market continues to reel under pressure as demand from bulk buyers has declined considerably. Exporters are out of the market as parity has changed into negative with Russian/Ukrainean offer around \$250 per tonne on FOB basis for July-August delivery. Besides, Stock stored out for export by private trade is being offloaded in domestic market with diminished export opportunity.
- Wheat prices in major benchmark market have decreased by Rs 40 to Rs 50 per qtl. during last two weeks. It is being traded at Rs 1380 to Rs 1550 per qtl. Market participants opine that wheat would continue to trade steady to slightly lower in the third week of June too.
- 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:

Wheat cash market may stay steady with weak bias to continue.

NCDEX Wheat Futures								Date:16:06:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
<b>Jun-14</b>	-3	1500	1504	1494	1501	450	140	14920	12690
<b>July-14</b>	1	1507	1510	1504	1508	550	-360	5430	-9320
<b>Aug-14</b>	-2	1534	1536	1527	1530	1050	450	2410	-2290

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
	16.6.2014	16.6.2014	16.6.2014	16.6.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	7407	100	7507	7407
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 17.6.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			17-Jun-14	16-Jun-14	
Delhi	Lawrence Road	Mill Delivery	1510	1510	Unch
	Narella	Mill Quality Loose	1500	1490	10
	Nazafgarh	Mill Quality Loose	1465	1460	5
Gujarat	Rajkot	Mill Delivery	1500	1500	Unch
	Ahmedabad	Mill Delivery	1525	1520	5
	Surat	Mill Delivery	1540	1540	Unch
M.P.	Bhopal	Lokwan	1550	1550	Unch
	Indore	Mill Delivery	1500	1505	-5
Rajasthan	Kota	Mill Quality Loose	1400	1380	20
		Mill Delivery	1480	1470	10
U.P.	Kanpur	Mill Delivery	1485	1485	Unch

	Mathura	Mill Quality Loose	1450	1450	Unch
	Kosi	Mill Quality Loose	1425	1420	5
	Hathras	Mill Quality Loose	1410	1400	10
	Aligarh	Mill Quality Loose	1400	1400	Unch
Punjab	Khanna	Mill Quality Loose	1410	1410	Unch
	(Ludhiana).Jagraon	Mill Delivery	1480	1480	Unch
Haryana	Sirsa	Mill Delivery loose	1410	1412	-2
	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	1750	25
	Madurai	Mill Quality	1832	1807	25
	Coimbatore	Mill Quality	1832	1807	25
Bihar	Sitamari	Mill Delivery	1520	NA	-
	Khagariya	Mill Delivery	1450	1450	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1550	1550	Unch
	Gandhidham(Rajasthan-Kota)	Mill Quality	1550	1550	Unch

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			17-Jun-14	16-Jun-14	
	Lawrence Road	Mill Delivery	8000	7000	1000
	Narella	Mill Quality Loose	500	500	Unch
	Nazafgarh	Mill Quality Loose	300	300	Unch
Gujarat	Rajkot	Mill Quality Loose	1500	1500	Unch
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	2000	2000	Unch
Rajasthan	Kota	Mill Quality	8000	6500	1500
U.P.	Kanpur	Mill Quality Loose	800	800	Unch
	Mathura	Mill Quality Loose	1000	1500	-500
	Kosi	Mill Quality Loose	200	200	Unch
	Hathras	Mill Quality Loose	200	150	50
	Aligarh	Mill Quality Loose	2000	2500	-500
Punjab	Khanna	Mill Quality Loose	1800	2000	-200
	(Ludhiana).Jagraon	Mill Quality Loose	1000	1000	Unch
Haryana	Sirsa	Mill Quality Loose	300	300	Unch
	Hodal	Mill Quality Loose	200	200	Unch
	Karnal	Mill Quality Loose	NA	NA	-

	Bhiwani	Mill Quality Loose	500	600	-100
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	17-Jun-14	16-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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