

## Wheat Domestic Fundamentals:

- Wheat cash market continued to reel under pressure due to diminished demand from overseas market and selling intention of private stockiestz in the domestic market as export parity turned into negative with cheaper offering form Black Sea region. Besides, companies like ITC, MK and others have stopped buying from private markets.
- Pressure on wheat market is likely to continue as private stock would continue to flow in the domestic market .India would not be able to sell wheat at price Black Sea Region currently offers. The latest FOB quotes from Russia are said to be in the range of \$245 to \$247 per tonne, US \$237 against \$265/270 per tonne in India. Russian quote may dip more as new crop would hit market in July. Crop is in good condition. Besides, CBOT is ruling lower and shows bearish outlook. With this background export market for India would not be favorable at least for 2-3 months.
- 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/Ukrainian 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.
- 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:18:06:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
<b>Jun-14</b>	-2	1500	1500	1500	1500	10		1,250	
<b>July-14</b>	5	1510	1518	1510	1517	550		14,780	
<b>Aug-14</b>	3	1531	1536	1531	1535	210		5,470	

Spread	May-14	june-14	july-14	Aug-14
Spot	15			
Jun-14		17		
July-14			18	
Aug-14				

Stocks	Demat	In- Process	Total	FED
	17.6.2014	17.6.2014	17.6.2014	16.6.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	7558	150	7708	7407
Rajkot	-	-	-	-

## Wheat (CBOT) Future:

CBOT Futures Prices: Date: 17.06.14 (USD/T)							
CONTRACT MONTH	17 June 14	Week ago (11 June 2014)	1 Month ago(19 May 14)	3 Month ago(17 Mar 14)	6 Month ago(17 Dec 13)	1 Year ago(17 June 13)	% Change over previous year
14-Mar	213.73	216.49	247.81	249.19	230.54	268.84	-20.50
14-May	217.04	220.99	251.21	252.13	233.85	270.96	-19.90
14-Jul	224.85	230.08	257.09	255.71	238.90	273.35	-17.74
14-Sep	232.01	237.52	262.42	257.73	241.84	275.55	-15.80
14-Dec	236.42	241.93	265.26	258.10	242.02	276.10	-14.37
15-Mar	238.26	243.77	264.62	253.78	239.36	273.80	-12.98

## Wheat Daily Prices and Arrivals on 18.6.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			18-Jun-14	17-Jun-14	
Delhi	Lawrence Road	Mill Delivery	1515	1510	5
	Narella	Mill Quality Loose	Closed	1500	-
	Nazafgarh	Mill Quality Loose	Closed	1465	-
Gujarat	Rajkot	Mill Delivery	1500	1500	Unch
	Ahmedabad	Mill Delivery	1525	1525	Unch
	Surat	Mill Delivery	1540	1540	Unch
M.P.	Bhopal	Lokwan	1550	1550	Unch
	Indore	Mill Delivery	1500	1500	Unch
Rajasthan	Kota	Mill Quality Loose	1400	1400	Unch
		Mill Delivery	1480	1480	Unch
U.P.	Kanpur	Mill Delivery	1480	1485	-5

	Mathura	Mill Quality Loose	1440	1450	-10
	Kosi	Mill Quality Loose	1450	1425	25
	Hathras	Mill Quality Loose	1425	1410	15
	Aligarh	Mill Quality Loose	NA	1400	-
Punjab	Khanna	Mill Quality Loose	1410	1410	Unch
	(Ludhiana)Jagraon	Mill Delivery	1480	1480	Unch
Haryana	Sirsa	Mill Delivery loose	1415	1410	5
	Hodal	Mill Delivery	1490	1490	Unch
	Karnal	Mill Quality Loose	1370	1380	-10
	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	1550	1520	30
	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			18-Jun-14	17-Jun-14	
	Lawrence Road	Mill Delivery	10000	8000	2000
	Narella	Mill Quality Loose	Closed	500	-
	Nazafgarh	Mill Quality Loose	Closed	300	-
Gujarat	Rajkot	Mill Quality Loose	2000	1500	500
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	1200	2000	-800
Rajasthan	Kota	Mill Quality	6000	8000	-2000
U.P.	Kanpur	Mill Quality Loose	900	800	100
	Mathura	Mill Quality Loose	1600	1000	600
	Kosi	Mill Quality Loose	200	200	Unch
	Hathras	Mill Quality Loose	200	200	Unch
	Aligarh	Mill Quality Loose	NA	2000	-
Punjab	Khanna	Mill Quality Loose	1000	1800	-800
	(Ludhiana)Jagraon	Mill Quality Loose	NA	1000	-
Haryana	Sirsa	Mill Quality Loose	350	300	50
	Hodal	Mill Quality Loose	200	200	Unch
	Karnal	Mill Quality Loose	NA	NA	-

	Bhiwani	Mill Quality Loose	450	500	-50
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	18-Jun-14	17-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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