AGRIWATCH

Wheat Daily Report
20th June 2014

Wheat Domestic Fundamentals:

- Wheat cash market stays steady to slightly weak due to depressed demand from millers and normal trade is being done only at local level. Companies like ITC, Cargil and L.D. are now out of the market and may sell wheat in local market as export window is almost close at this point of time due to disparity. Short term market outlook seems weak.
- However, festive season starts in August and demand for wheat products increase by then. It would help wheat price to recover once again from current level. In July wheat market may recover by Rs 100 from current level. Millers demand is due now and it may lend support to wheat market fundamental.
- Global outlook for wheat remains bearish. Supply side would be higher than normal increase in demand. Black Sea region crop is due and exporters like Russia,Ukraine,Romania are offering wheat around $250/$255 per tonne for forward months.US export sales would decrease. Russia may quote even lower price in July as new crop would start hitting the market in July. Against it India would not be able to export wheat below $265/$270.If prices increases (likely) in next 30 days, export opportunity would remain blemish.
- 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:

- The US wheat exporters may see tough time in the months ahead. Acting chairman of the US department of Agriculture outlook board Seth Meyer has expressive some pessimistic view on export front. According to him US exporters have to face the problem of lower availability of wheat for export.US winter crop size is expected to be lower by 10 percent from last year,Besides,total wheat supply may decrease by 11 percent.Wheat production prospects at global level too has improved in recent weeks.IN EU. wheat production may increase by1.4 million tonne.Russian can harvest 1 million tonne higher wheat than last year.Better production prospects for China is not a remote possibility. All these developments hints towards lower export prospects for US wheat.US wheat export may decrease by 21 percent in current season.
- CBOT wheat futures improve after having a five week slide. Actually, market has traded up due to increasing expectation that buyers would take fresh position at the lower level. Besides, rains in US plains, where crop is in maturity stage, may affect grain quality. Forecast for rains in the central and south west wheat growing belts may hamper harvesting by a week or two. Rains on matured wheat may affect grain weight and its baking quality.
- Wheat production in Bulgaria is likely to increase to 5 million tonne from 4.7 million tonne three years back as per latest update by Agriculture Minister. The main reason for the record yield is the additional 11 M decares sown under bread wheat. Agriculture Ministry data shows that the unusually wet spring has not harmed much the crops. Most of the damage from heavy rains and hail is on 32 000 decares – in the regions of Pleven, Stara Zagora, Yambol and Kazanlak.

Domestic market Outlook:

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

NCDEX Wheat Futures									Date:19:06:2014
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Jun-14	5	1502	1514	1501	1505	460	450	870	-380
July-14	9	1515	1535	1515	1524	1,310	760	14,420	-360
Aug-14	10	1535	1553	1535	1546	250	40	5,430	-40

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Spread	May-14	june-14	july-14	Aug-14
Spot	15			
Jun-14		19		
July-14			22	
Aug-14				

Stocks	Demat	In- Process	Total	FED
	18.6.2014	18.6.2014	18.6.2014	16.6.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	7608	100	7708	7407
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 18.06.14 (USD/T)							
CONTRACT MONTH	18 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	215.66	216.49	247.81	249.19	230.54	268.84	-19.78
14-May	219.06	220.99	251.21	252.13	233.85	270.96	-19.15
14-Jul	226.96	230.08	257.09	255.71	238.90	273.35	-16.97
14-Sep	233.94	237.52	262.42	257.73	241.84	275.55	-15.10
14-Dec	238.53	241.93	265.26	258.10	242.02	276.10	-13.61
15-Mar	240.46	243.77	264.62	253.78	239.36	273.80	-12.18

Wheat Daily Prices and Arrivals on 19.6.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			6/19/2014	6/18/2014	
New Delhi	Lawrence Road	Mill Delivery	1520	1515	5
	Narella	Mill Quality(Loose)	1495	Closed	-
	Nazafgarh	Mill Quality(Loose)	1470	Closed	-
Gujarat	Rajkot	Mill Delivery	1500	1500	Unch
	Ahmedabad	Mill Delivery	1525	1525	Unch
	Surat	Mill Delivery	1540	1540	Unch
Madhya Pradesh	Bhopal	Lokwan	1550	1550	Unch
	Indore	Mill Delivery	1500	1500	Unch
Rajasthan	Kota	Mill Quality(Loose)	1400	1400	Unch
		Mill Delivery	1480	1480	Unch
Uttar	Kanpur	Mill Delivery	1480	1480	Unch

Pradesh	Mathura	Mill Quality(Loose)	1450	1440	10
	Kosi	Mill Quality(Loose)	1430	1450	-20
	Hathras	Mill Quality(Loose)	NA	1425	-
	Aligarh	Mill Quality(Loose)	1400	Closed	-
	Moradabad	Mill Quality(Loose)	1360	1365	-5
Punjab	Khanna	Mill Quality(Loose)	1415	1410	5
	(Ludhiana)Jagraon	Mill Delivery	1480	1480	Unch
Haryana	Sirsa	Mill Quality(Loose)	1415	1415	Unch
	Hodal	Mill Delivery	1490	1490	Unch
	Bhiwani	Mill Quality(Loose)	1410	1400	10
	Karnal	Mill Quality(Loose)	1370	1370	Unch
	Panipat	Mill Quality(Loose)	NA	NA	-
Tamil Nadu	Chennai	Mill Quality(Loose)	1775	1775	Unch
	Madurai	Mill Quality(Loose)	1832	1832	Unch
	Coimbatore	Mill Quality(Loose)	1832	1832	Unch
Bihar	Sitamari	Mill Delivery	1550	1550	Unch
	Khagariya	Mill Delivery	NA	1450	-
FOR	Kandla(Rajasthan-Kota)	Mill Quality(Loose)	1550	1550	Unch
	Gandhidham(Rajasthan-Kota)	Mill Quality(Loose)	1550	1550	Unch

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			6/19/2014	6/18/2014	
New Delhi	Lawrence Road	Mill Delivery	9000	10000	-1000
	Narella	Mill Quality(Loose)	400	Closed	-
	Nazafgarh	Mill Quality(Loose)	500	Closed	-
Gujarat	Rajkot	Mill Quality(Loose)	2000	2000	Unch
	Ahmedabad	Mill Delivery	NA	NA	-
Madhya Pradesh	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality(Loose)	1200	1200	Unch
Rajasthan	Kota	Mill Quality(Loose)	6000	6000	Unch
Uttar Pradesh	Kanpur	Mill Delivery	NA	NA	-
	Mathura	Mill Quality(Loose)	2500	1600	900
	Kosi	Mill Quality(Loose)	500	200	300
	Hathras	Mill Quality(Loose)	NA	200	-
	Aligarh	Mill Quality(Loose)	2000	Closed	-
	Moradabad	Mill Quality(Loose)	3000	4000	-1000
Punjab	Khanna	Mill Quality(Loose)	600	1000	-400
	(Ludhiana)Jagraon	Mill Quality(Loose)	NA	NA	-
Haryana	Sirsa	Mill Quality(Loose)	200	350	-150

	Hodal	Mill Quality(Loose)	200	200	Unch
	Bhiwani	Mill Quality(Loose)	600	600	Unch
	Karnal	Mill Quality(Loose)	NA	NA	-
	Panipat	Mill Quality(Loose)	NA	NA	-

Wheat Products Delhi	6/19/2014	6/18/2014	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)	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