

Wheat Domestic Fundamentals:

- Delhi millers are sourcing wheat from Uttar Pradesh as it is cheaper in comparison to other states. Delhi millers are getting wheat at Rs 1505/ 1510 per qtl on delivered. basis. Wheat from Rajasthan and Madhya Pradesh is comparatively higher. Delhi millers can't afford to source wheat from Punjab and Haryana due to high tax structure.
- 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 by 1.4 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.

Domestic market Outlook:

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

NCDEX Wheat Futures								Date:20:06:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Jun-14	-7	1502	1511	1500	1500	630	170	160	-710
July-14	-2	1516	1525	1514	1520	370	-940	14,400	-20
Aug-14	-2	1545	1547	1541	1543	240	-10	5,340	-90

Spread	May-14	june-14	july-14	Aug-14
Spot	20			
Jun-14		20		
July-14			23	
Aug-14				

Stocks	Demat	In- Process	Total	FED
	19.6.2014	19.6.2014	19.6.2014	16.6.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	7659	0	7659	7407
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 19.06.14 (USD/T)							
CONTRACT MONTH	19 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	218.05	216.49	247.81	249.19	230.54	268.84	-18.89
14-May	221.36	220.99	251.21	252.13	233.85	270.96	-18.31
14-Jul	229.17	230.08	257.09	255.71	238.90	273.35	-16.16
14-Sep	236.15	237.52	262.42	257.73	241.84	275.55	-14.30
14-Dec	240.46	241.93	265.26	258.10	242.02	276.10	-12.91
15-Mar	242.39	243.77	264.62	253.78	239.36	273.80	-11.47

Wheat Daily Prices and Arrivals on 20.6.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			6/20/2014	6/19/2014	
New Delhi	Lawrence Road	Mill Delivery	1520	1520	Unch
	Narella	Mill Quality(Loose)	1490	1495	-5
	Nazafgarh	Mill Quality(Loose)	1475	1470	5
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	1490	1480	10

Pradesh	Mathura	Mill Quality(Loose)	1440	1450	-10
	Kosi	Mill Quality(Loose)	1430	1430	Unch
	Hathras	Mill Quality(Loose)	1425	NA	-
	Aligarh	Mill Quality(Loose)	1410	1400	10
Punjab	Khanna	Mill Quality(Loose)	1410	1415	-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	1410	Unch
	Karnal	Mill Quality(Loose)	1380	1370	10
	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	Closed	1550	-
	Khagariya	Mill Delivery	NA	NA	-
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
New Delhi			6/20/2014	6/19/2014	
	Lawrence Road	Mill Delivery	10000	9000	1000
	Narella	Mill Quality(Loose)	500	400	100
	Nazafgarh	Mill Quality(Loose)	300	500	-200
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)	1500	2500	-1000
	Kosi	Mill Quality(Loose)	500	500	Unch
	Hathras	Mill Quality(Loose)	300	NA	-
	Aligarh	Mill Quality(Loose)	5000	2000	3000
Punjab	Khanna	Mill Quality(Loose)	1000	600	400
	(Ludhiana)Jagraon	Mill Quality(Loose)	NA	NA	-
Haryana	Sirsa	Mill Quality(Loose)	300	200	100
	Hodal	Mill Quality(Loose)	200	200	Unch
	Bhiwani	Mill Quality(Loose)	500	600	-100

	Karnal	Mill Quality(Loose)	NA	NA	-
	Panipat	Mill Quality(Loose)	NA	NA	-

Wheat Products Delhi	6/20/2014	6/19/2014	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

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