

## Wheat Domestic Fundamentals:

- Wheat markets trade steady to slightly weak on normal demand against steady supply. Private trades release their stock meant for export in the domestic market as export opportunity seems bleak for next two-three months. However, more dip from current level is unlikely as festive season is at hand and demand for wheat products is expected to increase. Traders are waiting for OMSS price for states and these prices would direct market trends in coming weeks. Govt may revise OMSS price for this season.
- On export front there is no hope as bearish tone continues to dominate global market on the back of higher production prospects in Black Sea Region and ample marketable surplus in US. Russia and Ukraine has sold out wheat to Pakistan at \$260 per tonne on c&f basis to be delivered in July and August. Against this India is unable to offer below \$263/64 per tonne on FOB basis. As domestic market is expected to get firmer July onward, it would be very difficult for Indian exporters to compete from Russia and Ukraine.
- Wheat stock in central pool warehouses was registered at 40.10 million T on 16 June compared to 41.58 million T on 1st June 2014. The highest accumulated stock is in Punjab (15.90 million T) followed by Madhya Pradesh (8.21 million tonne) and Haryana (7.75 million tonne) as on 16.06.2014.
- As per market feedback farmers would start releasing wheat in parts July onward. As wheat prices are ruling around MSP or below MSP, farmers would wait for uptrend in the market. Lower release by farmers, continuous normal demand would support wheat market in states like Bihar and Uttar Pradesh. Agriwatch expects price to move up by Rs 50 to Rs 75 per qtl. in next two -three weeks.
- 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.

### International Market Update:

- Private importers in Pakistan have purchased about 55,000 tons of Black Sea-origin wheat probably from Russia or Ukraine around \$266 a tons c&f for August/September shipment. They are still negotiating on more wheat purchases as bad harvesting this year have generated the import demand.
- 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 likely to continue in the short term.**

[illegible]

Spread	May-14	june-14	july-14	Aug-14
Spot	-25			
Jun-14		21		
July-14				
Aug-14				

Stocks	Demat	In- Process	Total	FED
	25.6.2014	25.6.2014	25.6.2014	23.6.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	7659	151	7810	7659
Rajkot	-	-	-	-

## Wheat (CBOT) Future:

CBOT Futures Prices: Date: 25.06.14 (USD/T)							
CONTRACT MONTH	25 June 14	Week ago (16 June 2014)	1 Month ago(23 May 14)	3 Month ago(24 Mar 14)	6 Month ago(23 Dec 13)	1 Year ago(24 June 13)	% Change over previous year
14-Mar	211.44	213.46	239.73	263.33	227.88	267.83	-21.06
14-May	214.65	217.23	243.86	265.81	231.37	269.76	-20.43
14-Jul	222.64	224.57	250.66	269.12	235.96	271.88	-18.11
14-Sep	230.73	231.19	256.90	271.05	238.90	272.61	-15.36
14-Dec	235.69	235.41	259.94	269.67	239.18	273.44	-13.81
15-Mar	239.36	237.43	261.04	263.79	237.16	272.24	-12.08

## Wheat Daily Prices and Arrivals on 26.6.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			6/26/2014	6/25/2014	
New Delhi	Lawrence Road	Mill Delivery	1505	1505	Unch
	Narella	Mill Quality(Loose)	1460	Closed	-
	Nazafgarh	Mill Quality(Loose)	1470	Closed	-
Gujarat	Rajkot	Mill Delivery	1510	1510	Unch
	Ahmedabad	Mill Delivery	1535	1535	Unch
	Surat	Mill Delivery	1545	1545	Unch
Madhya Pradesh	Bhopal	Lokwan	1600	1600	Unch
	Indore	Mill Delivery	1520	1520	Unch
Rajasthan	Kota	Mill Quality(Loose)	1410	1400	10
		Mill Delivery	1510	1500	10
Uttar	Kanpur	Mill Delivery	1485	1485	Unch

<b>Pradesh</b>	Mathura	Mill Quality(Loose)	1440	1440	<b>Unch</b>
	Kosi	Mill Quality(Loose)	1420	1420	<b>Unch</b>
	Hathras	Mill Quality(Loose)	1400	1400	<b>Unch</b>
	Aligarh	Mill Quality(Loose)	1400	Closed	-
<b>Punjab</b>	Khanna	Mill Quality(Loose)	1410	1410	<b>Unch</b>
	(Ludhiana)Jagraon	Mill Delivery	1500	1500	<b>Unch</b>
<b>Haryana</b>	Sirsa	Mill Quality(Loose)	1410	1415	<b>-5</b>
	Hodal	Mill Delivery	1500	1500	<b>Unch</b>
	Bhiwani	Mill Quality(Loose)	NA	1420	-
	Karnal	Mill Quality(Loose)	1390	1390	<b>Unch</b>
	Panipat	Mill Quality(Loose)	NA	NA	-
<b>Tamil Nadu</b>	Chennai	Mill Quality(Loose)	1760	1750	<b>10</b>
	Madurai	Mill Quality(Loose)	1817	1807	<b>10</b>
	Coimbatore	Mill Quality(Loose)	1817	1807	<b>10</b>
<b>Bihar</b>	Sitamari	Mill Delivery	NA	NA	-
	Khagariya	Mill Delivery	NA	NA	-
<b>FOR</b>	Kandla(Rajasthan-Kota)	Mill Quality(Loose)	1640	1630	<b>10</b>
	Gandhidham(Rajasthan-Kota)	Mill Quality(Loose)	1640	1630	<b>10</b>

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
<b>New Delhi</b>			<b>6/26/2014</b>	<b>6/25/2014</b>	
	Lawrence Road	Mill Delivery	7000	8000	<b>-1000</b>
	Narella	Mill Quality(Loose)	600	Closed	-
	Nazafgarh	Mill Quality(Loose)	500	Closed	-
<b>Gujarat</b>	Rajkot	Mill Quality(Loose)	1200	1200	<b>Unch</b>
	Ahmedabad	Mill Delivery	NA	NA	-
<b>Madhya Pradesh</b>	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality(Loose)	3000	1500	<b>1500</b>
<b>Rajasthan</b>	Kota	Mill Quality(Loose)	7000	7000	<b>Unch</b>
<b>Uttar Pradesh</b>	Kanpur	Mill Delivery	NA	NA	-
	Mathura	Mill Quality(Loose)	2000	1000	<b>1000</b>
	Kosi	Mill Quality(Loose)	500	500	<b>Unch</b>
	Hathras	Mill Quality(Loose)	250	250	<b>Unch</b>
	Aligarh	Mill Quality(Loose)	2000	Closed	-
<b>Punjab</b>	Khanna	Mill Quality(Loose)	1000	1000	<b>Unch</b>
	(Ludhiana)Jagraon	Mill Quality(Loose)	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Quality(Loose)	150	200	<b>-50</b>
	Hodal	Mill Quality(Loose)	100	200	<b>-100</b>
	Bhiwani	Mill Quality(Loose)	NA	200	-

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

Wheat Products Delhi	6/26/2014	6/25/2014	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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