Wheat Daily Report

01st July 2014

Wheat Domestic Fundamentals:

- Wheat cash market is likely to trade steady to slightly up in the incoming weeks as private traders has restricted releasing their stocks due to disparity. Wheat stock released from the central pool is expected July onward for OMSS there is general talk in the market that government may increase OMSS price in the range of Rs 35-50/ quintal .It may support cash market at current level.
- Despite of slower start of procurement, wheat procurement by the end of June touched 27.9 Mn t as expected in April by Agriwatch. It is 10% higher from last year due to higher lifting from Punjab, Haryana and MP.
- Total arrival in grain market by the end of June registered at 34.5Mnt on all India basis out of it 27.9Mnt have been lifted by FCI and other state agencies, the remaining 6.6Mnt has been lifted by private trades and flour millers.
- Demand for wheat product in festive season is expected by the end of July and it will help wheat price to get firmer in the weeks ahead. However, supply side will remain ample as farmers in UP still holds 20-30 % marketable surplus stock in their hands, the stock will continue to hit market in July.
- 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.

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 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.

Domestic market Outlook:

Wheat cash market may stay steady to slightly firm.

NCDEX Wheat Futures									Date:30:06:2014
Contract	**+/-**	**Open**	**High**	**Low**	**Close**	**Volume**	**Change**	**OI**	**Change**
July-14	4	1532	1536	1529	1534	1,240	600	12,530	-340
Aug-14	4	1552	1568	1548	1556	710	440	5,700	260
Sept-14	0	0	0	0	0	0	-10	140	0

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Spread	July-14	Aug-14	Sept-14	Oct-14
Spot	-14			
July-14		22		
Aug-14				
Sept-14				

Stocks	Demat	In- Process	Total	FED
	28.6.2014	28.6.2014	28.6.2014	23.6.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	7659	151	7810	7659
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 27.06.14 (USD/T)							
CONTRACT MONTH	27 June 14	Week ago (20 June 2014)	1 Month ago(27 May 14)	3 Month ago(27 Mar 14)	6 Month ago(27 Dec 13)	1 Year ago(27 June 13)	% Change over previous year
14-Mar	215.02	215.02	235.50	262.51	228.25	262.97	-18.23
14-May	218.14	217.96	239.91	265.35	231.83	265.26	-17.76
14-Jul	225.12	226.23	247.08	269.03	236.61	267.83	-15.95
14-Sep	232.29	233.12	253.32	271.42	239.54	268.84	-13.60
14-Dec	236.79	237.25	256.26	270.68	239.82	269.40	-12.10
15-Mar	240.28	239.54	257.09	265.26	237.71	269.12	-10.72

Wheat Daily Prices and Arrivals on 30.6.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			6/30/2014	6/28/2014	
New Delhi	Lawrence Road	Mill Delivery	1520	1515	5
	Narella	Mill Quality(Loose)	1490	1510	-20
	Nazafgarh	Mill Quality(Loose)	1455	1470	-15
Gujarat	Rajkot	Mill Delivery	1580	1560	20
	Ahmedabad	Mill Delivery	1600	1565	35
	Surat	Mill Delivery	1650	1575	75
Madhya Pradesh	Bhopal	Lokwan	1600	1625	-25
	Indore	Mill Delivery	1540	1540	Unch
Rajasthan	Kota	Mill Quality(Loose)	1435	1430	5
		Mill Delivery	1525	1500	25
Uttar	Kanpur	Mill Delivery	1485	1485	Unch

Pradesh	Mathura	Mill Quality(Loose)	1440	1450	-10
	Kosi	Mill Quality(Loose)	1410	1400	10
	Hathras	Mill Quality(Loose)	1400	NA	-
	Aligarh	Mill Quality(Loose)	1400	1400	Unch
Punjab	Khanna	Mill Quality(Loose)	1410	1410	Unch
	(Ludhiana)Jagraon	Mill Delivery	1500	1500	Unch
Haryana	Sirsa	Mill Quality(Loose)	1415	1415	Unch
	Hodal	Mill Delivery	1500	1500	Unch
	Bhiwani	Mill Quality(Loose)	1415	1410	5
	Karnal	Mill Quality(Loose)	NA	NA	-
	Panipat	Mill Quality(Loose)	NA	NA	-
Tamil Nadu	Chennai	Mill Quality(Loose)	1750	1750	Unch
	Madurai	Mill Quality(Loose)	1807	1807	Unch
	Coimbatore	Mill Quality(Loose)	1807	1807	Unch
Bihar	Sitamari	Mill Delivery	NA	Closed	-
	Khagariya	Mill Delivery	1450	1450	Unch
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
			6/30/2014	6/28/2014	
New Delhi	Lawrence Road	Mill Delivery	10000	8000	2000
	Narella	Mill Quality(Loose)	300	400	-100
	Nazafgarh	Mill Quality(Loose)	600	1000	-400
Gujarat	Rajkot	Mill Quality(Loose)	1500	1200	300
	Ahmedabad	Mill Delivery	NA	NA	-
Madhya Pradesh	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality(Loose)	2500	2500	Unch
Rajasthan	Kota	Mill Quality(Loose)	8000	8000	Unch
Uttar Pradesh	Kanpur	Mill Delivery	NA	NA	-
	Mathura	Mill Quality(Loose)	3000	1500	1500
	Kosi	Mill Quality(Loose)	1000	200	800
	Hathras	Mill Quality(Loose)	350	NA	-
	Aligarh	Mill Quality(Loose)	1500	1500	Unch
Punjab	Khanna	Mill Quality(Loose)	1000	1000	Unch
	(Ludhiana)Jagraon	Mill Quality(Loose)	NA	NA	-
Haryana	Sirsa	Mill Quality(Loose)	200	300	-100
	Hodal	Mill Quality(Loose)	200	100	100
	Bhiwani	Mill Quality(Loose)	600	300	300

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

Wheat Products Delhi	6/30/2014	6/28/2014	Change
Atta (50kg) Ordinary	940	940	Unch
Maida Grade 1 (90kg)	2112	2112	Unch
Maida Grade 1 (50KG)	1180	1180	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