Wheat Daily Report
08th July 2014

Wheat Domestic Fundamentals:

- Cash wheat market traded weak despite end of procurement season and lower arrivals in major markets. Supply side is ample as private players are releasing stock, meant for export, in domestic market. However, cash market may trade up as festive demand for wheat products would remain supportive in the weeks ahead.As market is ruling at lower level and has adjusted the impact of additional supply from private trade, more dip is unlikely from current level.
- ITC can start procuring wheat once again in Uttar Pradesh. Government would start releasing wheat for OMSS in August and price for OMSS may be revised slightly up (Rs 50 per qtl.) from last year. All these developments may encourage wheat price from the third week of July.
- 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 34.9Mnt on all India basis out of it 27.9Mnt have been lifted by FCI and other state agencies, the remaining 7.0Mnt 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.

International Market Update:

- The wheat market was mostly higher in pre-long weekend book-squaring and consolidation. Weekly export sales of 567,500 MT beat trade expectations of 300-450,000 MT thanks to Brazil taking 140,500 MT.
- The FAO raised their outlook on the global wheat crop in 2014/15 by 4 MMT from last month to 707 MMT. That increase came "mostly on improved prospects in Brazil, the EU, India and Russia, morethan offsetting downward adjustments in Pakistan, Ukraine and the US. FAO has cut 2014/15 ending stocks however by 2 MMT to 180 MMT, although that's still 6 MMT up on 2013/14.
- In Canada, overall conditions of seeded crops remain generally favourable, however concerns increased in the Prairie region due to stormy, wet, and unseasonably cool weather.
- 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.

Domestic market Outlook:

Wheat cash market may stay steady in next trading session.

NCDEX Wheat Futures									Date:07:07:2014
Contract	**+/-**	**Open**	**High**	**Low**	**Close**	**Volume**	**Change**	**OI**	**Change**
July-14	-8	1522	1530	1520	1521	1,630	730	9,090	-1,380
Aug-14	-9	1540	1546	1536	1536	1,070	950	6,340	210
Sept-14	-10	1565	1568	1560	1560	40	20	180	0

AGRIWATCH

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Spread	July-14	Aug-14	Sept-14	Oct-14
Spot	-1			
July-14		15		
Aug-14			24	
Sept-14				

Stocks	Demat	In- Process	Total	FED
	5.7.2014	5.7.2014	5.7.2014	30.6.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	7659	548	8207	7659
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 03.07.14 (USD/T)							
CONTRACT MONTH	03 July 14	Week ago (24 June 2014)	1 Month ago(02 June 14)	3 Month ago(02 Apr 14)	6 Month ago(02 Jan 14)	1 Year ago(02 July 13)	% Change over previous year
14-Mar	206.39	209.79	228.06	248.00	223.47	257.46	-19.84
14-May	211.44	213.37	232.10	251.03	227.15	260.30	-18.77
14-Jul	219.80	221.36	240.37	255.53	232.29	263.06	-16.45
14-Sep	228.43	229.72	246.89	259.02	235.41	264.34	-13.59
14-Dec	234.03	234.86	250.20	260.67	235.87	263.61	-11.22
15-Mar	238.44	238.63	251.85	258.93	233.85	262.97	-9.33

Wheat Daily Prices and Arrivals on 7.7.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			7/7/2014	7/5/2014	
New Delhi	Lawrence Road	Mill Delivery	1520	1510	10
	Narella	Mill Quality(Loose)	1470	1455	15
	Nazafgarh	Mill Quality(Loose)	1460	1455	5
Gujarat	Rajkot	Mill Delivery	1600	1580	20
	Ahmedabad	Mill Delivery	1660	1650	10
	Surat	Mill Delivery	1680	1670	10
Madhya Pradesh	Bhopal	Lokwan	1700	1650	50
	Indore	Mill Delivery	1580	1580	Unch
Rajasthan	Kota	Mill Quality(Loose)	1450	1435	15
		Mill Delivery	1550	1540	10
Uttar	Kanpur	Mill Delivery	1490	1490	Unch

Pradesh	Mathura	Mill Quality(Loose)	1430	1440	**-10**
	Kosi	Mill Quality(Loose)	1400	1420	**-20**
	Hathras	Mill Quality(Loose)	1410	1410	**Unch**
	Aligarh	Mill Quality(Loose)	1380	1400	**-20**
Punjab	Khanna	Mill Quality(Loose)	1410	1410	**Unch**
	(Ludhiana)Jagraon	Mill Delivery	1500	1500	**Unch**
Haryana	Sirsa	Mill Quality(Loose)	1420	1415	**5**
	Hodal	Mill Delivery	1500	1520	**-20**
	Bhiwani	Mill Quality(Loose)	1410	1405	**5**
	Karnal	Mill Quality(Loose)	NA	NA	-
	Panipat	Mill Quality(Loose)	NA	NA	-
Tamil Nadu	Chennai	Mill Quality(Loose)	1780	1810	**-30**
	Madurai	Mill Quality(Loose)	1837	1867	**-30**
	Coimbatore	Mill Quality(Loose)	1837	1867	**-30**
Bihar	Sitamari	Mill Delivery	NA	Closed	-
	Khagariya	Mill Delivery	1450	NA	-
FOR	Kandla(Rajasthan-Kota)	Mill Quality(Loose)	1600	1640	**-40**
	Gandhidham(Rajasthan-Kota)	Mill Quality(Loose)	1600	1640	**-40**

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			7/7/2014	**7/5/2014**	
New Delhi	Lawrence Road	Mill Delivery	5000	10000	**-5000**
	Narella	Mill Quality(Loose)	500	500	**Unch**
	Nazafgarh	Mill Quality(Loose)	500	400	**100**
Gujarat	Rajkot	Mill Quality(Loose)	1200	1400	**-200**
	Ahmedabad	Mill Delivery	NA	NA	-
Madhya Pradesh	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality(Loose)	3000	3000	**Unch**
Rajasthan	Kota	Mill Quality(Loose)	8000	4000	**4000**
Uttar Pradesh	Kanpur	Mill Delivery	900	900	**Unch**
	Mathura	Mill Quality(Loose)	1500	2000	**-500**
	Kosi	Mill Quality(Loose)	300	300	**Unch**
	Hathras	Mill Quality(Loose)	350	350	**Unch**
	Aligarh	Mill Quality(Loose)	1000	1000	**Unch**
Punjab	Khanna	Mill Quality(Loose)	500	500	**Unch**
	(Ludhiana)Jagraon	Mill Quality(Loose)	NA	NA	-
Haryana	Sirsa	Mill Quality(Loose)	200	200	**Unch**
	Hodal	Mill Quality(Loose)	200	250	**-50**
	Bhiwani	Mill Quality(Loose)	400	500	**-100**

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

Wheat Products Delhi	7/7/2014	7/5/2014	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