AGRIWATCH

Wheat Daily Report
14th July 2014

Wheat Domestic Fundamentals:

- Wheat trades almost flat in Uttar Pradesh and Delhi.ITC is active in Bulandshahar and would continue to buy till the end of the month as per feedback received from local traders.Wheat in local market is available at Rs 1400/1405 per qtl. and is being loaded for Delhi at Rs 1550 per qtl. Traders says that prices are likely to stay steady to slightly firm from current level. Farmers in Uttar Pradesh still have ample stock and it might be around 25 to 30 percent of the marketable surplus.This means flow from farmers end would continue and it would remain restrictive to wheat market fundamentals in the weeks ahead.
- Wheat prices in Cash wheat market like Indore, Kota Delhi and Khanna are reel under pressure and bearish trend may continue this week. Arrival from private holdings continues and it is sufficient to cater current demand of the market. South Indian Floor millers are sourcing wheat from Rajasthan, Uttar Pradesh and Madhya Pradesh at around Rs.1800-Rs.2000/quintal on deliver basis and same trend is likely to continue next week too. Farmers in U.P still have marketable surplus around 20-25%. Government would start releasing wheat for OMSS probably from 1st of August and it would work as a cap if any uptrend starts.
- Wheat stock in central pool warehouses was registered at 39.37 million T on 01 July compared to 41.58 million T on 1st June 2014. The highest accumulated stock is in Punjab (15.56 million T) followed by Madhya Pradesh (7.93 million tonne) and Haryana (7.55 million Tonne) as on 01.07.2014.
- 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.

International Market Update:

- Wheat harvesting is underway in major wheat growing belt of southern Nebraska in US. So far only 13 percent crop has been harvested. It is almost 50 percent lower than last year till date.despite weather disturbances almost 50 percent crop has been rated good to excellent and 10 to 15 percent in bad shape. The rest is considered to be in fair shape.
- US wheat export may hamper with increasing freight cost in the months ahead. A rally in freight rates would be detrimental to the chances of U.S., Australian and Argentine wheat in Middle Eastern markets. Russian wheat would probably be the winner now U.S. soft red winter wheat, on a free-on-board basis, was currently $6 a ton cheaper than Russian and Ukrainian wheat and $5 a ton cheaper than Western Europe origins. Black Sea Region crop started hitting the market and Russian FOB quotes are hovering in the range of $245 to $250 per tonne.
- 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.

Domestic market Outlook:

Wheat cash market may stay steady to slightly firm.

NCDEX Wheat Futures									Date:11:07:2014
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
July-14	20	1558	1574	1548	1563	1,930	-1,150	980	-1,340
Aug-14	38	1566	1607	1565	1607	5,950	1,900	8,320	-560
Sept-14	47	1593	1627	1593	1627	410	200	530	190

AGRIWATCH

Wheat Daily Report
14th July 2014

Spread	July-14	Aug-14	Sept-14	Oct-14
Spot	-35			
July-14		44		
Aug-14			20	
Sept-14				

Stocks	Demat	In- Process	Total	FED
	10.7.2014	10.7.2014	10.7.2014	7.7.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	8207	0	8207	8207
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 10.07.14 (USD/T)							
CONTRACT MONTH	10 July 14	Week ago (01 July 2014)	1 Month ago(09 June 14)	3 Month ago(09 Apr 14)	6 Month ago(09 Jan 14)	1 Year ago(09 July 13)	% Change over previous year
14-Mar	197.20	205.65	225.03	248.82	218.33	259.66	-24.05
14-May	201.52	210.34	229.53	251.03	221.91	261.41	-22.91
14-Jul	209.60	218.60	238.17	257.27	226.96	263.98	-20.60
14-Sep	217.32	226.96	245.42	261.86	230.27	265.81	-18.24
14-Dec	222.64	232.10	249.56	264.53	230.64	265.63	-16.18
15-Mar	226.50	236.42	252.04	261.22	229.26	265.63	-14.73

Wheat Daily Prices and Arrivals on 12.7.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			12-Jul-14	11-Jul-14	
Delhi	Lawrence Road	Mill Delivery	1550	1528	22
	Narella	Mill Quality Loose	1480	1475	5
	Nazafgarh	Mill Quality Loose	1480	1470	10
Gujarat	Rajkot	Mill Delivery	1600	1600	Unch
	Ahmedabad	Mill Delivery	1690	1670	20
	Surat	Mill Delivery	1720	1700	20
M.P.	Bhopal	Lokwan	1700	1700	Unch
	Indore	Mill Delivery	1630	1620	10
Rajasthan	Kota	Mill Quality Loose	1500	1500	Unch
		Mill Delivery	1580	1580	Unch
U.P.	Kanpur	Mill Delivery	1510	1495	15

	Mathura	Mill Quality Loose	1440	1400	40
	Kosi	Mill Quality Loose	1440	1400	40
	Hathras	Mill Quality Loose	NA	1400	-
	Aligarh	Mill Quality Loose	1360	1360	Unch
Punjab	Khanna	Mill Quality Loose	1410	1410	Unch
	(Ludhiana)Jagraon	Mill Delivery	1500	1500	Unch
Haryana	Sirsa	Mill Delivery loose	1450	1421	29
	Hodal	Mill Delivery	1550	1550	Unch
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	1420	1400	20
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1800	1800	Unch
	Madurai	Mill Quality	1857	1857	Unch
	Coimbatore	Mill Quality	1857	1857	Unch
Bihar	Sitamari	Mill Delivery	NA	NA	-
	Khagariya	Mill Delivery	NA	1450	-
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1625	1625	Unch
	Gandhidham(Rajasthan-Kota)	Mill Quality	1625	1625	Unch

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			12-Jul-14	11-Jul-14	
Delhi	Lawrence Road	Mill Delivery	5000	15000	-10000
	Narella	Mill Quality Loose	500	400	100
	Nazafgarh	Mill Quality Loose	400	500	-100
Gujarat	Rajkot	Mill Quality Loose	2000	1500	500
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	4000	5000	-1000
Rajasthan	Kota	Mill Quality	5000	5000	Unch
U.P.	Kanpur	Mill Quality Loose	900	700	200
	Mathura	Mill Quality Loose	500	1500	-1000
	Kosi	Mill Quality Loose	100	100	Unch
	Hathras	Mill Quality Loose	NA	300	-
	Aligarh	Mill Quality Loose	300	500	-200
Punjab	Khanna	Mill Quality Loose	500	400	100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	150	200	-50
	Hodal	Mill Quality Loose	300	200	100
	Karnal	Mill Quality Loose	NA	NA	-

	Bhiwani	Mill Quality Loose	500	500	Unch
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	12-Jul-14	11-Jul-14	Change
Atta (50kg) Ordinary	915	915	Unch
Maida Grade 1 (90kg)	2157	2157	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