

Wheat Domestic Fundamentals:

- Wheat allocation through tender is likely to open from mid of August.
- As per traders, wheat Rake is being loaded from Kota to South Indian markets of Bangalore at Rs.1850/qtl and for Coimbatore at Rs.1860/qtl.
- Wheat cash market stays steady to slightly firm this week due to seasonal factors like contracting supply from private traders, declining arrivals in major markets and higher demands for wheat products in festive season starting from August,2014.Wheat prices have increased in the range of Rs 35 to Rs 55 per qtl. in last 10 days and markets expect firmness to continue.
- However, supply from central pool stock through OMSS is due in August and it may cap firmness to some extent. Millers, especially south Indian millers are dependent on govt.'s stock in lean season as usual .As per market experts major price driving force would be price for OMSS for the year. If govt. revises price for OMSS, it would encourage wheat price in the domestic market. There is a buzz in the market that govt may increase OMSS price by Rs40 to 50 per qtl.
- Wheat cash markets in Uttar Pradesh get firmer on the back of improved demand from Rajasthan and Delhi. Demand from roller flour mills have improved during last one week.festive season in India starts from 1st August and continue till November and during this period demands for wheat product increase considerably.
- Wheat is being loaded from Mathura to Rajasthan, Kota at Rs 1600 per qtl. while it is being traded at Rs 1610 per qtl. in local market. Flour miller in Delhi is sourcing wheat from Bulandsahar and Mathura markets in the range of RS 1570 to Rs 1580 per qtl.almost higher by Rs 25 per qtl. from last week.

International Market Update:

- As per latest update by USDA global wheat production is bound to increase from June estimate of 701.62 million tonnes to 705.17 million tonne in 2014-15.production in US would increase from 1.942 to 1.992 billion bushel.Pressure on global wheat market would likely to continue as corn prices are ruling lower \$3.835 bushel.Global corn production too is estimated at higher side and it would reduce demand for feed grade wheat. Recent firmness is due to short covering and investor's interest at current level.
- Private Iraqi grain traders have not been able to get trucks across the Syrian border to complete a deal, first agreed in June, to buy 200,000 tonnes of wheat from Syria's state grain body due to conflict raging in both countries.
- 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
Aug-14	1.00	1609.00	1609.00	1598.00	1605.00	990	-520	9790	20
Sep-14	-3.00	1619.00	1621.00	1618.00	1619.00	190	-670	3030	90
Oct-14	2.00	1658.00	1658.00	1639.00	1641.00	240	220	300	200

Spread	July-14	Aug-14	Sept-14	Oct-14
Spot	-20			
July-14		-14		
Aug-14			-22	
Sept-14				

Stocks	Demat	In- Process	Total	FED
	19.7.2014	19.7.2014	19.7.2014	14.7.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	8207	0	8207	8207
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 18.07.14 (USD/T)							
CONTRACT MONTH	18 July 14	Week ago (18 July 2014)	1 Month ago (18 June 14)	3 Month ago (18 Apr 14)	6 Month ago (18 Jan 14)	1 Year ago (18 July 13)	% Change over previous year
14-Sep	195.55	189.12	247.72	253.97	207.03	242.67	-19.42
14-Dec	204.37	193.25	251.03	256.81	209.60	247.26	-17.35
15-Mar	212.27	201.24	256.72	260.21	28.29	251.39	-15.56
15-May	217.78	209.23	262.14	264.90	215.20	254.06	-14.28
15-Jul	222.28	215.20	264.62	269.49	219.89	253.05	-12.16
15-Sep	226.41	219.15	264.16	271.23	223.65	255.89	-11.52

Wheat Daily Prices and Arrivals on 21.7.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			21-Jul-14	19-Jul-14	
Delhi	Lawrence Road	Mill Delivery	1585	1580	5
	Narella	Mill Quality Loose	Closed	1530	-
	Nazafgarh	Mill Quality Loose	1525	1530	-5
Gujarat	Rajkot	Mill Delivery	1600	1600	Unch
	Ahmedabad	Mill Delivery	1710	1700	10
	Surat	Mill Delivery	1740	1730	10
M.P.	Bhopal	Lokwan	1750	1700	50
	Indore	Mill Delivery	1650	1650	Unch
Rajasthan	Kota	Mill Quality Loose	Closed	1500	-
		Mill Delivery	Closed	1575	-
U.P.	Kanpur	Mill Delivery	1540	1525	15
	Mathura	Mill Quality Loose	1470	1470	Unch
	Kosi	Mill Quality Loose	1470	1470	Unch
	Hathras	Mill Quality Loose	1425	1430	-5

	Aligarh	Mill Quality Loose	1440	1425	15
Punjab	Khanna	Mill Quality Loose	1425	1425	Unch
	(Ludhiana)Jagraon	Mill Delivery	1500	1500	Unch
Haryana	Sirsa	Mill Delivery loose	1421	1445	-24
	Hodal	Mill Delivery	1580	1580	Unch
	Karnal	Mill Quality Loose	NA	1480	-
	Bhiwani	Mill Quality Loose	1480	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	NA	1750	-
	Madurai	Mill Quality	NA	1807	-
	Coimbatore	Mill Quality	NA	1807	-
Bihar	Sitamari	Mill Delivery	1650	NR	-
	Khagariya	Mill Delivery	NR	NR	-
FOR	Kandla(Rajasthan-Kota)	Mill Quality	Closed	1650	-
	Gandhidham(Rajasthan-Kota)	Mill Quality	Closed	1650	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			21-Jul-14	19-Jul-14	
	Lawrence Road	Mill Delivery	9000	10000	-1000
	Narella	Mill Quality Loose	Closed	500	-
	Nazafgarh	Mill Quality Loose	600	200	400
Gujarat	Rajkot	Mill Quality Loose	2100	1200	900
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	2000	4000	-2000
Rajasthan	Kota	Mill Quality	Closed	5000	-
U.P.	Kanpur	Mill Quality Loose	800	800	Unch
	Mathura	Mill Quality Loose	1000	1000	Unch
	Kosi	Mill Quality Loose	200	150	50
	Hathras	Mill Quality Loose	100	60	40
	Aligarh	Mill Quality Loose	100	150	-50
Punjab	Khanna	Mill Quality Loose	500	400	100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	100	100
	Hodal	Mill Quality Loose	200	150	50
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	500	300	200
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi			21-Jul-14	19-Jul-14	Change
Atta (50kg) Ordinary			915	915	Unch

Wheat Daily Report

22nd July 2014

Maida Grade 1 (90kg)	2202	2202	Unch
Maida Grade 1 (50KG)	1205	1205	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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