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Wheat Daily Report
25th July 2014

Wheat Domestic Fundamentals:

- Cash wheat markets takes note of the govt's latest decision of releasing 10 million tonne wheat for bulk buyers from August to March 2015 through e-tendering process.Wheat prices in major markets dip by Rs 10 to Rs 20 per qtl. Supply side is now bound to increase as quantity approved is 1.5 million tonne higher than last year for the same period of time.
- Private and bulk buyers had brought5.8 million tonne wheat in eight months, from August to March against allocation of 8.5 million tonne.This year higher quantity would continue to regulate price even in the lean season as old crop would be available around Rs 1500 per qtl.plus freight charges. New wheat would be given at 5 percent premium that means at Rs 1575 per qtl, lower than current prevailing prices.
- This decision would not allow private traders to drag price up for their own interests.Availability would be enough throughout the season. As quantity is higher, private trade would not be able to offtake more than 6.5 million tonne.however,there is a possibility of higher offtake,if international market gets firmer on Russian/Ukrainian/US issue.
- If wheat price in global market crosses over$285 per Tonne,private trade may start taking new wheat through tender and think of exporting it.But such possibility is remote as prices in global market is ruling around $230 to $240 per tonne right now.
- 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.

International Market Update:

- Wheat harvesting in Kansas is heading towards final stage and would be over by the end of this month. According to national agriculture statistics service almost 95 percent wheat harvested from new crop is now in store. The quality is good and recent rains have not impacted quality of the grain.Harvesting reached near finishing line almost delayed by 15 days in comparison to last year.
- As per latest update by USDA global wheat production is bound to increase from June estimate of701.62 million tonnes to705.17 million tonne in 2014-15.production in US would increase from 1.942 to1.992 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 foe feed grade wheat. Recent firmness is due to short covering and investor's interest at current level.
- 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.

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	-8.00	1605.00	1607.00	1591.00	1599.00	2,850	2,190	10500	690
Sep-14	-11.00	1619.00	1619.00	1598.00	1608.00	2,110	1,900	3620	500
Oct-14	-6.00	1628.00	1628.00	1615.00	1620.00	210	200	210	40

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Spread	July-14	Aug-14	Sept-14	Oct-14
Spot	-9			
July-14		-9		
Aug-14			-20	
Sept-14				

Stocks	Demat	In- Process	Total	FED
	23.7.2014	23.7.2014	23.7.2014	21.7.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	8207	0	8207	8207
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 22.07.14 (USD/T)							
CONTRACT MONTH	23 July 14	Week ago (16 July 2014)	1 Month ago(23 June 14)	3 Month ago(23 Apr 14)	6 Month ago(23 Jan 14)	1 Year ago(23 July 13)	% Change over previous year
14-Sep	195.00	197.66	213.00	248.55	3.21	240.19	-18.81
14-Dec	203.72	206.48	216.40	250.84	3.03	244.50	-16.68
15-Mar	212.27	214.38	224.94	254.15	3.03	248.45	-14.57
15-May	218.14	219.71	233.12	259.29	2.85	250.84	-13.04
15-Jul	223.01	223.84	237.80	264.07	2.76	250.11	-10.83
15-Sep	227.60	228.43	241.11	265.72	2.66	252.77	-9.96

Wheat Daily Prices and Arrivals on 24.7.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			24-Jul-14	23-Jul-14	
Delhi	Lawrence Road	Mill Delivery	1590	1595	-5
	Narella	Mill Quality Loose	1520	Closed	-
	Nazafgarh	Mill Quality Loose	1525	Closed	-
Gujarat	Rajkot	Mill Delivery	NA	1600	-
	Ahmedabad	Mill Delivery	NA	1720	-
	Surat	Mill Delivery	NA	1745	-
M.P.	Bhopal	Lokwan	1700	1700	Unch
	Indore	Mill Delivery	1660	1660	Unch
Rajasthan	Kota	Mill Quality Loose	1510	1510	Unch
		Mill Delivery	1585	1580	5
U.P.	Kanpur	Mill Delivery	1550	1550	Unch
	Mathura	Mill Quality Loose	1460	1485	-25
	Kosi	Mill Quality Loose	1470	1450	20

	Hathras	Mill Quality Loose	1410	1425	-15
	Aligarh	Mill Quality Loose	1440	Closed	-
Punjab	Khanna	Mill Quality Loose	1420	1425	-5
	(Ludhiana)Jagraon	Mill Delivery	1500	1500	Unch
Haryana	Sirsa	Mill Delivery loose	1470	1450	20
	Hodal	Mill Delivery	1580	1580	Unch
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	1490	1480	10
	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	NR	-
	Khagariya	Mill Delivery	1450	1500	-50
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1650	1650	Unch
	Gandhidham(Rajasthan-Kota)	Mill Quality	1650	1650	Unch

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			24-Jul-14	23-Jul-14	
Delhi	Lawrence Road	Mill Delivery	8000	12000	-4000
	Narella	Mill Quality Loose	500	Closed	-
	Nazafgarh	Mill Quality Loose	500	Closed	-
Gujarat	Rajkot	Mill Quality Loose	NA	1400	-
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	500	1000	-500
Rajasthan	Kota	Mill Quality	2000	2500	-500
U.P.	Kanpur	Mill Quality Loose	800	800	Unch
	Mathura	Mill Quality Loose	1200	1500	-300
	Kosi	Mill Quality Loose	200	200	Unch
	Hathras	Mill Quality Loose	150	150	Unch
	Aligarh	Mill Quality Loose	300	Closed	-
Punjab	Khanna	Mill Quality Loose	400	500	-100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	300	-100
	Hodal	Mill Quality Loose	200	200	Unch
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	500	500	Unch
	Panipat	Mill Quality Loose	NA	NA	-

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Wheat Products Delhi	24-Jul-14	23-Jul-14	Change
Atta (50kg) Ordinary	915	915	Unch
Maida Grade 1 (90kg)	2202	2202	Unch
Maida Grade 1 (50KG)	1205	1205	Unch
Suji (50kg)	1180	1180	Unch
Chokar (50 kg)	573	573	Unch
Chokar (34 kg)	367	374	-7
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