

Wheat Domestic Fundamentals:

- Wheat cash market is expected to trade steady to slightly weak this week as govt.ensures ample supply for the remaining months of current MY 2014-15.Govt would release almost 10 million tonne wheat for OMSS. The price has been fixed at Rs 1500 for old wheat and Rs 1575 for new wheat. Offtake at this price would be lower as wheat in the cash market is ruling in between Rs 1475 to Rs 1550 per qtl. depending on sourcing region.If freight and other expenses are added,govt's wheat would cost around Rs 1575 to Rs 1700 per qtl. for the old and new crop respectively.
- Private trades have stock around 6 million tonne now out of 7.7 million tonne procured during the season.They have procured higher quantity in anticipation of good export demand and better realization during festive season.Export window seems to be closed now as other exporting countries like Australia,Ukraine,Russia offer cheaper wheat.So the maximum wheat retained by private trade would continue to flow in domestic market in changed domestic outlook.
- Even in the lean season wheat price would not be able to move unexpectedly up with ensured supply from govt's godowns.Wheat market is likely to stay steady to slightly firm in the weeks ahead.Pressure of ample supply on fixed price would not allow private trade to escalate wheat price to a certain level even in the medium term.
- 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.
- Prices in Uttar Pradesh market is likely to go up by Rs 20 to RS 25 per qtl. this week as supply side is getting weaker. Farmers holding have decreased now from 30 percent to 20 percent now as per traders source.Lower supply from farmers end may remain supportive for fundamental cash market in the weeks ahead.

International Market Update:

- Lebanon has purchased about 7,000 tonnes of Black Sea-origin milling wheat. The price for the 12.5 percent protein content wheat was \$253 a tonne c&f. Importers in Indonesia have also purchased an unknown volume of Black Sea wheat of 11.5 percent protein in containers at \$271 a tonne c&f.
- 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 be hampered 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 weak.

NCDEX Wheat Futures								Date:28:07:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Aug-14	-1	1602	1609	1596	1600	460	-1,050	10,070	300
Sep-14	0	1609	1615	1601	1607	320	-540	3,920	980
Oct-14	0	-	-	-	-	-	-	210	110

Wheat Daily Report

30th July 2014

Spread	Aug-14	Sept-14	Oct-14	Nov-14
Spot	-15			
Aug-14		7		
Sept-14			-	
Oct-14				

Stocks	Demat	In- Process	Total	FED
	26.7.2014	26.7.2014	26.7.2014	21.7.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	8207	0	8207	8207
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 25.07.14 (USD/T)							
CONTRACT MONTH	25 July 14	Week ago (21 July 2014)	1 Month ago(25 June 14)	3 Month ago(25 Apr 14)	6 Month ago(25 Jan 14)	1 Year ago(25 July 13)	% Change over previous year
14-Sep	197.66	194.72	214.65	263.24	214.47	250.47	-21.09
14-Dec	205.65	203.63	222.64	268.39	219.15	254.52	-19.20
15-Mar	213.64	212.08	230.73	272.89	222.83	257.00	-16.87
15-May	219.06	217.68	235.69	274.54	223.20	257.27	-14.85
15-Jul	223.47	222.55	239.36	268.75	220.44	255.43	-12.51
15-Sep	227.97	226.96	243.49	269.95	222.74	255.43	-10.75

Wheat Daily Prices and Arrivals on 28.7.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			28-Jul-14	26-Jul-14	
Delhi	Lawrence Road	Mill Delivery	1585	1580	5
	Narella	Mill Quality Loose	1490	1510	-20
	Nazafgarh	Mill Quality Loose	1520	1515	5
Gujarat	Rajkot	Mill Delivery	1590	1600	-10
	Ahmedabad	Mill Delivery	1700	1710	-10
	Surat	Mill Delivery	1725	1725	Unch
M.P.	Bhopal	Lokwan	1700	1700	Unch
	Indore	Mill Delivery	1660	Closed	-
Rajasthan	Kota	Mill Quality Loose	1500	Closed	-
		Mill Delivery	1600	Closed	-
U.P.	Kanpur	Mill Delivery	1550	1560	-10
	Mathura	Mill Quality Loose	1470	1430	40

	Kosi	Mill Quality Loose	1460	1430	30
	Hathras	Mill Quality Loose	1410	1410	Unch
	Aligarh	Mill Quality Loose	1430	1430	Unch
Punjab	Khanna	Mill Quality Loose	NA	1425	-
	(Ludhiana)Jagraon	Mill Delivery	1500	1500	Unch
Haryana	Sirsa	Mill Delivery loose	1450	1450	Unch
	Hodal	Mill Delivery	1580	1580	Unch
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	1490	1490	Unch
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1800	NA	-
	Madurai	Mill Quality	1857	NA	-
	Coimbatore	Mill Quality	1857	NA	-
Bihar	Sitamari	Mill Delivery	NA	NA	-
	Khagariya	Mill Delivery	NA	NA	-
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1650	NA	-
	Gandhidham(Rajasthan-Kota)	Mill Quality	1650	NA	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			28-Jul-14	26-Jul-14	
	Lawrence Road	Mill Delivery	11000	13000	-2000
	Narella	Mill Quality Loose	1500	400	1100
	Nazafgarh	Mill Quality Loose	500	300	200
Gujarat	Rajkot	Mill Quality Loose	2000	1300	700
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	4000	Closed	-
Rajasthan	Kota	Mill Quality	5000	Closed	-
U.P.	Kanpur	Mill Quality Loose	700	800	-100
	Mathura	Mill Quality Loose	1500	1000	500
	Kosi	Mill Quality Loose	150	200	-50
	Hathras	Mill Quality Loose	300	300	Unch
	Aligarh	Mill Quality Loose	300	250	50
Punjab	Khanna	Mill Quality Loose	NA	500	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	300	-100
	Hodal	Mill Quality Loose	200	100	100
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	NA	500	-

	Panipat	Mill Quality Loose	NA	NA	-
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Wheat Products Delhi	28-Jul-14	26-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	367	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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