

Wheat Domestic Fundamentals:

- The CACP(Commission for Agricultural Costs and Prices) would announce the MSP for rabi crop soon and market expects marginal increase in the MSP of wheat for 2014-15. Market participants are of the view that MSP may be increase from 2 to 3 percent for rabi crops to contain the inflationary pressure. Experts assume that wheat MSP might be fixed in between Rs 1420 to RS 1450 per quintal for ensuing rabi season.
- Cash wheat market may trade slightly up from current level as arrivals in major markets of producing states like Uttar Pradesh, Punjab, Haryana and Bihar have contracted in recent weeks due to farmers engagements in paddy trans-planting. Lower arrivals from farmers end and increasing demand for wheat products ahead of festival season would remain supportive for the cash wheat market fundamentals. Wheat is being traded in the range of Rs 1450 to Rs1575 per qtl. in various markets. Agriwatch expects market to move up at least by Rs 30 to RS 45 per qtl. from current level. Supply from private trades would continue.
- However, any major spike in wheat market in the third quarter is unlikely due to intended supply of 10 million tonne in next eight months from central pool stock at the base price of Rs 1500 and Rs 1575 per qtl. for old and new crop respectively. As wheat prices in Uttar Pradesh, Punjab, Haryana and Rajasthan are hovering around Rs 1450 to Rs 1575 per qtl. currently, offtake from central pool would be lower than expectation.
- With higher allocation of wheat govt. has ensured ample availability for the rest of the year and any attempt to drag wheat price up would not be materialized. Export window is not wide open now with declining price world over and private trades would have to release their stock in domestic market. Global FOB quotes range \$230 to \$235 per tonne(US & Black Sea Region) while Indian exporters are not able to offer below \$280 per tonne. The huge difference of \$50 per tonne would not allow smooth export from India In next four –five months.

International Market Update:

- Private importers in Pakistan have purchased about 55,000 tons of Black Sea-origin wheat probably from Russia or Ukraine around \$261 a tons c&f for September shipment. They have been making large imports of wheat as harvesting was not good this year.
- 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 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.

Domestic market Outlook:

Wheat cash market may stay steady to slightly weak.

NCDEX Wheat Futures								Date:01:08:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Aug-14	-35	1593	1593	1561	1562	4,060	3,380	8,760	-1,100
Sep-14	-30	1597	1597	1571	1574	2,460	2,190	3,900	0
Oct-14	-26	1605	1605	1565	1585	130	130	270	60

Wheat Daily Report

02nd August 2014

Spread	July-14	Aug-14	Sept-14	Oct-14
Spot	20			
July-14		12		
Aug-14			11	
Sept-14				

Stocks	Demat	In- Process	Total	FED
	31.7.2014	31.7.2014	31.7.2014	29.7.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	8207	0	8207	8207
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 31.07.14 (USD/T)							
CONTRACT MONTH	31 July 14	Week ago (24 July 2014)	1 Month ago(30 June 14)	3 Month ago(30 Apr 14)	6 Month ago(30 Jan 14)	1 Year ago(30 July 13)	% Change over previous year
14-Sep	194.81	194.26	212.17	268.11	208.78	252.59	-22.87
14-Dec	202.16	202.16	219.80	272.89	213.28	255.16	-20.77
15-Mar	210.24	210.43	227.51	277.11	216.77	257.55	-18.37
15-May	215.30	216.12	232.29	278.95	217.41	258.28	-16.64
15-Jul	218.88	220.62	235.87	273.99	216.12	257.55	-15.01
15-Sep	223.20	225.22	239.91	274.91	218.42	257.55	-13.34

Wheat Daily Prices and Arrivals on 31.7.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			1-Aug-14	31-Jul-14	
Delhi	Lawrence Road	Mill Delivery	1582	1585	-3
	Narella	Mill Quality Loose	1515	1515	Unch
	Nazafgarh	Mill Quality Loose	1520	1520	Unch
Gujarat	Rajkot	Mill Delivery	1580	1580	Unch
	Ahmedabad	Mill Delivery	1700	1700	Unch
	Surat	Mill Delivery	1725	1725	Unch
M.P.	Bhopal	Lokwan	1650	1600	50
	Indore	Mill Delivery	1610	1640	-30
Rajasthan	Kota	Mill Quality Loose	1515	1510	5
		Mill Delivery	1620	1600	20
U.P.	Kanpur	Mill Delivery	1560	1565	-5
	Mathura	Mill Quality Loose	1460	1460	Unch

	Kosi	Mill Quality Loose	NR	1450	-
	Hathras	Mill Quality Loose	1420	1410	10
	Aligarh	Mill Quality Loose	1420	1420	Unch
Punjab	Khanna	Mill Quality Loose	1450	NR	-
	(Ludhiana)Jagraon	Mill Delivery	1500	1500	Unch
Haryana	Sirsa	Mill Delivery loose	1450	1455	-5
	Hodal	Mill Delivery	1580	1580	Unch
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	1480	1480	Unch
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1830	1800	30
	Madurai	Mill Quality	1887	1857	30
	Coimbatore	Mill Quality	1887	1857	30
Bihar	Sitamari	Mill Delivery	1620	NR	-
	Khagariya	Mill Delivery	1500	1475	25
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1660	1650	10
	Gandhidham(Rajasthan-Kota)	Mill Quality	1660	1650	10

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			1-Aug-14	31-Jul-14	
	Lawrence Road	Mill Delivery	15000	13000	2000
	Narella	Mill Quality Loose	300	400	-100
	Nazafgarh	Mill Quality Loose	400	200	200
Gujarat	Rajkot	Mill Quality Loose	1100	1200	-100
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	4000	5000	-1000
Rajasthan	Kota	Mill Quality	4000	5000	-1000
U.P.	Kanpur	Mill Quality Loose	700	500	200
	Mathura	Mill Quality Loose	1000	1000	Unch
	Kosi	Mill Quality Loose	NA	100	-
	Hathras	Mill Quality Loose	350	300	50
	Aligarh	Mill Quality Loose	300	500	-200
Punjab	Khanna	Mill Quality Loose	500	NR	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	200	100	100
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	200	200	Unch

	Panipat	Mill Quality Loose	NA	NA	-
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Wheat Products Delhi	1-Aug-14	31-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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