

Wheat Domestic Fundamentals:

- Export demand for Indian wheat has touched its bottom due to negative parity. Major exporters like US, Russia, Ukraine and Australia offer wheat in the range of \$240 to \$252 per tonne on FoB basis which is lower by \$30 to \$35 per tonne against Indian offer at \$282/283 per tonne. The price difference is likely to continue as Australia, Russia and US would remain aggressive sellers in next four-five months.
- 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 Rs 1575 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.

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 firm.

NCDEX Wheat Futures								Date:05:08:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Aug-14	-3	1583	1593	1582	1582	1,480	-60	7,980	-660
Sep-14	-5	1594	1606	1587	1595	2,130	460	4,530	940
Oct-14	19	1615	1624	1615	1624	50	-80	270	20

Wheat Daily Report

06th August 2014

Spread	July-14	Aug-14	Sept-14	Oct-14
Spot	3			
July-14		13		
Aug-14			29	
Sept-14				

Stocks	Demat	In- Process	Total	FED
	04.8.2014	04.8.2014	04.8.2014	04.8.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	8207	0	8207	8207
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 04.08.14 (USD/T)							
CONTRACT MONTH	04 August 14	Week ago (28 July 2014)	1 Month ago(5 July 14)	3 Month ago(5 May 14)	6 Month ago(5 Feb 14)	1 Year ago(5 August 13)	% Change over previous year
14-Sep	199.87	196.47	226.41	270.04	220.99	247.90	-19.38
14-Dec	207.40	204.92	234.03	275.46	225.68	250.57	-17.23
15-Mar	214.38	213.18	240.65	279.59	229.26	253.41	-15.40
15-May	218.88	218.51	244.32	281.24	229.99	253.69	-13.72
15-Jul	221.91	222.64	246.71	274.63	228.52	253.97	-12.62
15-Sep	226.04	227.05	249.83	275.55	230.82	253.97	-10.99

Wheat Daily Prices and Arrivals on 05.8.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			5-Aug-14	04-Aug-14	
Delhi	Lawrence Road	Mill Delivery	1585	1575	10
	Narella	Mill Quality Loose	1480	1485	-5
	Nazafgarh	Mill Quality Loose	1510	1500	10
Gujarat	Rajkot	Mill Delivery	1570	1580	-10
	Ahmedabad	Mill Delivery	1670	1670	Unch
	Surat	Mill Delivery	1710	1710	Unch
M.P.	Bhopal	Lokwan	1600	1600	Unch
	Indore	Mill Delivery	1605	1605	Unch
Rajasthan	Kota	Mill Quality Loose	1490	1480	10
		Mill Delivery	1590	1580	10
U.P.	Kanpur	Mill Delivery	1560	1560	Unch
	Mathura	Mill Quality Loose	1450	1450	Unch

	Kosi	Mill Quality Loose	1450	1450	Unch
	Hathras	Mill Quality Loose	1420	1420	Unch
	Aligarh	Mill Quality Loose	1430	1400	30
Punjab	Khanna	Mill Quality Loose	1425	1425	Unch
	(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	1480	1480	Unch
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1810	1800	10
	Madurai	Mill Quality	1867	1857	10
	Coimbatore	Mill Quality	1867	1857	10
Bihar	Sitamari	Mill Delivery	NA	NA	-
	Khagariya	Mill Delivery	1450	1500	-50
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			5-Aug-14	4-Aug-14	
	Lawrence Road	Mill Delivery	8000	6000	2000
	Narella	Mill Quality Loose	200	400	-200
	Nazafgarh	Mill Quality Loose	300	400	-100
Gujarat	Rajkot	Mill Quality Loose	800	2000	-1200
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	2000	4000	-2000
Rajasthan	Kota	Mill Quality	2500	5000	-2500
U.P.	Kanpur	Mill Quality Loose	700	700	Unch
	Mathura	Mill Quality Loose	800	500	300
	Kosi	Mill Quality Loose	100	150	-50
	Hathras	Mill Quality Loose	150	150	Unch
	Aligarh	Mill Quality Loose	500	1000	-500
Punjab	Khanna	Mill Quality Loose	NA	500	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	400	-200
	Hodal	Mill Quality Loose	200	200	Unch
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	500	300	200

	Panipat	Mill Quality Loose	NA	NA	-
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Wheat Products Delhi	5-Aug-14	4-Aug-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)	583	573	10
Chokar (34 kg)	370	367	3
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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