

Wheat Domestic Fundamentals:

- Major wheat cash markets trade steady to slightly firm due to restricted arrivals as farmers are busy with kharif sowing. Wheat release from central pool stock through tendering process is expected from next week. Besides demand from south and north Indian miller's continues. In Delhi market wheat traded Rs 15 per qtl. up to Rs 1590 per quintal in last three days. Market participants say that uptrend in Delhi market would not continue as rescheduled tendering date would remain restrictive to the market fundamental. Wheat price may hover in the range of RS 1580 to Rs 1600 per qtl.. Old wheat sourced from Govt. godowns in Delhi would cost around Rs 1560/1570 including freight and labour.
- According to IBIS (provisional data), export of wheat in the month of July was 1.37 Lakh tones which is around 69% less than last year at the same month, which was 4.46 Lakh tones in July 2013. The reason behind the lower export is attributed to disparity from other exporting countries like U.S.A., Russia and Ukraine.
- 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.

International Market Update:

- Unexpected rains at the time of wheat harvesting during mid July in France and Germany have impacted grain quality and availability of milling grade may decrease in these countries. This may encourage European buyers to source milling grade wheat from US. Crop quality in Poland too is similar. Report of higher export sales in recent weeks in US points to the emerging scenario in global wheat market. U.S. export sales of wheat were 801,007 metric tons in the week-ended July 24, up 81 percent from a week earlier, according to the U.S. Department of Agriculture.
- However, uptrend in CBOT futures and US FoB is unlikely to continue. Marketable surplus in exporting countries is ample and aggressive selling strategy by Russia Ukraine at around \$243/45 per tonne for August - sep delivery would not allow market to gain continuously. Global market is likely to trade in the range of \$240 to \$260 per tonne on FOB basis. US offers wheat at \$256 per Tonne. The \$10 per tonne difference between US and Black sea Region may continue in this month too.

Domestic market Outlook:

Wheat cash market may stay steady to slightly firm.

NCDEX Wheat Futures								Date:11:08:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Aug-14	1	1592	1600	1590	1592	990	-3,760	3,350	-860
Sep-14	-5	1609	1609	1600	1601	1,960	-3,310	7,450	290
Oct-14	4	1621	1621	1621	1621	10	-20	290	10

Wheat Daily Report

12th August 2014

Spread	Aug-14	Sept-14	Oct-14	Nov-14
Spot	-12			
July-14		9		
Aug-14			20	
Sept-14				

Stocks	Demat	In- Process	Total	FED
	9.8.2014	9.8.2014	9.8.2014	4.8.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	8207	0	8207	8207
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 08.08.14 (USD/T)							
CONTRACT MONTH	08 August 14	Week ago (31 July 2014)	1 Month ago (7 July 14)	3 Month ago (7 May 14)	6 Month ago (7 Feb 14)	1 Year ago (7 August 13)	% Change over previous year
14-Sep	201.79	194.81	204.55	274.26	217.50	248.55	-18.81
14-Dec	207.95	202.16	213.28	279.13	222.19	251.87	-17.44
15-Mar	215.02	210.24	221.63	283.36	225.68	254.61	-15.55
15-May	219.52	215.30	227.24	285.29	226.32	254.70	-13.81
15-Jul	221.91	218.88	231.46	279.50	224.94	254.79	-12.91
15-Sep	226.41	223.20	235.50	280.33	227.24	254.79	-11.14

Wheat Daily Prices and Arrivals on 11.8.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			11-Aug-14	09-Aug-14	
Delhi	Lawrence Road	Mill Delivery	1580	1585	-5
	Narella	Mill Quality Loose	1500	1495	5
	Nazafgarh	Mill Quality Loose	1515	1520	-5
Gujarat	Rajkot	Mill Delivery	1580	1580	Unch
	Ahmedabad	Mill Delivery	1680	1690	-10
	Surat	Mill Delivery	1715	1720	-5
M.P.	Bhopal	Lokwan	1550	1550	Unch
	Indore	Mill Delivery	1650	1605	45
Rajasthan	Kota	Mill Quality Loose	1520	1520	Unch
		Mill Delivery	1590	1590	Unch
U.P.	Kanpur	Mill Delivery	1570	1570	Unch
	Mathura	Mill Quality Loose	Closed	1460	-

	Kosi	Mill Quality Loose	NR	1460	-
	Hathras	Mill Quality Loose	Closed	1420	-
	Aligarh	Mill Quality Loose	1435	1435	Unch
Punjab	Khanna	Mill Quality Loose	1440	1425	15
	(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	1490	1490	Unch
	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	NA	-
	Khagariya	Mill Delivery	1450	1450	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1700	1700	Unch
	Gandhidham(Rajasthan-Kota)	Mill Quality	1700	1700	Unch

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			11-Aug-14	9-Aug-14	
	Lawrence Road	Mill Delivery	7000	10000	-3000
	Narella	Mill Quality Loose	200	500	-300
	Nazafgarh	Mill Quality Loose	300	400	-100
Gujarat	Rajkot	Mill Quality Loose	900	1000	-100
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	4000	4000	Unch
Rajasthan	Kota	Mill Quality	NA	3000	-
U.P.	Kanpur	Mill Quality Loose	800	800	Unch
	Mathura	Mill Quality Loose	Closed	100	-
	Kosi	Mill Quality Loose	NR	100	-
	Hathras	Mill Quality Loose	Closed	50	-
	Aligarh	Mill Quality Loose	NA	600	-
Punjab	Khanna	Mill Quality Loose	400	500	-100
	(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	500	600	-100

	Panipat	Mill Quality Loose	NA	NA	-
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Wheat Products Delhi	11-Aug-14	9-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)	598	598	Unch
Chokar (34 kg)	379	379	Unch
Chakki Atta (50kg)	965	965	Unch
Chakki Atta (50kg) Special	985	965	20
Chakki Atta (90kg) Superfine	1800	1800	Unch
Chakki Atta (50kg) Superfine	990	970	20

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