

## Wheat Domestic Fundamentals:

- Wheat cash market trades steady to slightly down on ample supply side and weak demand from bulk consumers. Export demand for Indian wheat remains at its low ebb due to wide difference in FOB quotes. South Indian millers have covered their immediate demand and they are not in a hurry to buy wheat before August. Wheat in the domestic market is being traded in the range of Rs 1450 to Rs 1550 per qtl. at various trading hubs. Indian FOB quotes hover in between \$285 to 286 per tonne against world availability of wheat in the range of \$245 to \$250 per tonne.
- Wheat allocation (around 10 million tonnes) through OMSS for next eight months at fixed reserved price (Rs 1500 and Rs 1570 per qtl. for the old and new crop respectively) would not allow market to get firmer. However, more dip from current level is unlikely from current level.
- Wheat export from India is bound to decline by 13 to 15 percent this year due to lower price in the global market and importers have more options to source wheat and resultantly bargain. FAO estimates that Wheat supply would be around 881 mt, compared with the required 699 mt—surplus of 182 mt in 2014-15. This indicates over supply in global market and restricts Indian opportunity to export.
- Wheat offtake from central pool stock would remain restricted in the month of August despite tender is being invited in various states like Rajasthan, M.P. Haryana and Punjab at pre determined reserve price. As wheat in the open market is available around Govt.'s reserve price, so private buyers would prefer to buy from the market first as they get credit at least for 15 days and get benefit of 1.5 percent cash discount. Rake loading from Kota region of Rajasthan to south India (Karnataka) is being loaded at Rs 1860 per qtl. on delivered basis.
- Wheat market is likely to stay steady to slightly up in Aug/Sept. However, any spike at this point of time is unlikely as supply sides from private and govt.'s end remain ample.
- Wheat stock in central pool warehouses was registered at 38.10 million T on 01 August compared to 39.37 million T on 1st July 2014. The highest accumulated stock is in Punjab (14.93 million T) followed by Madhya Pradesh (7.52 million tonne) and Haryana (7.07 million Tonne) as on 01.08.2014.

## International Market Update:

- Global wheat market could not sustain its uptrend that started two weeks before on the back of US news of crop loss and fear of supply disruption from black sea region. Global wheat market continues to trade under ample stock accumulation and better prospects of incoming crop in US, Russia, Ukraine and Romania.
- CBOT wheat futures continued on its southward journey from the beginning of August and more pressure might be seen in the weeks ahead. The major reason of recent dip is attributed mainly to higher than expected wheat production in US and eased concern over shipment from black sea region, especially from Ukraine. The U.S. may harvest 2.015 billion bushels, more than the 1.992 billion forecasts by the Department of Agriculture last month.

## Domestic market Outlook:

Wheat cash market may stay steady to slightly weak.

NCDEX Wheat Futures								Date:14:08:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Aug-14	1	1590	1600	1575	1600	40	-390	2,510	0
Sep-14	0	1597	1599	1594	1598	790	290	7,630	70
Oct-14	-3	1607	1607	1607	1607	10	-120	330	-10

## Wheat Daily Report

16<sup>th</sup> August 2014

Spread	Aug-14	Sept-14	Oct-14	Nov-14
Spot				
Aug-14	-20			
Sept-14		-2		
Oct-14			9	

Stocks	Demat	In- Process	Total	FED
	13.8.2014	13.8.2014	13.8.2014	11.8.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	8207	0	8207	8207
Rajkot	-	-	-	-

### Wheat (CBOT) Future:

CBOT Futures Prices: Date: 13.08.14 (USD/T)							
CONTRACT MONTH	13 August 14	Week ago (05 Aug 2014)	1 Month ago(14 July 14)	3 Month ago(13 May 14)	6 Month ago(13 Feb 14)	1 Year ago(14 August 13)	% Change over previous year
14-Sep	193.99	202.99	197.57	263.79	222.74	246.07	-21.16
14-Dec	200.42	210.43	205.93	269.40	227.33	249.65	-19.72
15-Mar	207.86	217.68	213.73	274.54	230.82	252.50	-17.68
15-May	212.63	222.19	219.52	276.74	231.19	252.77	-15.88
15-Jul	216.21	224.76	223.56	275.55	229.17	251.03	-13.87
15-Sep	220.90	229.17	227.97	276.93	231.19	251.03	-12.00

### Wheat Daily Prices and Arrivals on 14.8.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			14-Aug-14	13-Aug-14	
Delhi					
	Lawrence Road	Mill Delivery	1580	1590	-10
	Narella	Mill Quality Loose	1490	Closed	-
	Nazafgarh	Mill Quality Loose	1500	Closed	-
Gujarat	Rajkot	Mill Delivery	1620	1600	20
	Ahmedabad	Mill Delivery	1700	1700	Unch
	Surat	Mill Delivery	1730	1730	Unch
M.P.	Bhopal	Lokwan	1650	1600	50
	Indore	Mill Delivery	1650	1650	Unch
Rajasthan	Kota	Mill Quality Loose	1520	1530	-10
		Mill Delivery	1590	1600	-10
U.P.	Kanpur	Mill Delivery	1575	1570	5
	Mathura	Mill Quality Loose	1460	1450	10

	Kosi	Mill Quality Loose	1450	1440	<b>10</b>
	Hathras	Mill Quality Loose	1415	1415	<b>Unch</b>
	Aligarh	Mill Quality Loose	NA	NA	-
<b>Punjab</b>	Khanna	Mill Quality Loose	1425	1425	<b>Unch</b>
	(Ludhiana)Jagraon	Mill Delivery	1500	1500	<b>Unch</b>
<b>Haryana</b>	Sirsa	Mill Delivery loose	1460	1460	<b>Unch</b>
	Hodal	Mill Delivery	1580	1580	<b>Unch</b>
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	1485	1470	<b>15</b>
	Panipat	Mill Quality Loose	NA	NA	-
<b>Tamil Nadu</b>	Chennai	Mill Quality	1800	1800	<b>Unch</b>
	Madurai	Mill Quality	1857	1857	<b>Unch</b>
	Coimbatore	Mill Quality	1857	1857	<b>Unch</b>
<b>Bihar</b>	Sitamari	Mill Delivery	NA	NA	-
	Khagariya	Mill Delivery	1450	1450	<b>Unch</b>
<b>FOR</b>	Kandla(Rajasthan-Kota)	Mill Quality	1650	1650	<b>Unch</b>
	Gandhidham(Rajasthan-Kota)	Mill Quality	1650	1650	<b>Unch</b>

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
<b>Delhi</b>			<b>14-Aug-14</b>	<b>13-Aug-14</b>	
	Lawrence Road	Mill Delivery	9000	5000	<b>4000</b>
	Narella	Mill Quality Loose	300	Closed	-
	Nazafgarh	Mill Quality Loose	600	Closed	-
<b>Gujarat</b>	Rajkot	Mill Quality Loose	600	900	<b>-300</b>
	Ahmedabad	Mill Delivery	NA	NA	-
<b>M.P.</b>	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	5000	3000	<b>2000</b>
<b>Rajasthan</b>	Kota	Mill Quality	6000	3000	<b>3000</b>
<b>U.P.</b>	Kanpur	Mill Quality Loose	600	600	<b>Unch</b>
	Mathura	Mill Quality Loose	500	200	<b>300</b>
	Kosi	Mill Quality Loose	150	100	<b>50</b>
	Hathras	Mill Quality Loose	150	150	<b>Unch</b>
	Aligarh	Mill Quality Loose	NA	NA	-
<b>Punjab</b>	Khanna	Mill Quality Loose	400	500	<b>-100</b>
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Quality Loose	200	200	<b>Unch</b>
	Hodal	Mill Quality Loose	50	100	<b>-50</b>
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	500	600	<b>-100</b>

	Panipat	Mill Quality Loose	NA	NA	-
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Wheat Products Delhi	14-Aug-14	13-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)	613	613	Unch
Chokar (34 kg)	388	388	Unch
Chakki Atta (50kg)	965	965	Unch
Chakki Atta (50kg) Special	985	985	Unch
Chakki Atta (90kg) Superfine	1800	1800	Unch
Chakki Atta (50kg) Superfine	990	990	Unch

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