

Wheat Domestic Fundamentals:

- **Cash wheat market traded steady to weak due to** slower buying by flour millers. Supply side remains ample and govt has ensured more supply by allocating wheat at predetermined price through OMSS. As OMSS prices are ruling at par with open market price, offtake from central pool stock is likely to remain restricted in August and Sept. Wheat may trade in the range of Rs 1450 to Rs 1575 per qtl.
- **Wheat is being loaded from Rajasthan to South Indian markets in the range** of RS 1850/1870 per tonne on delivered basis. Wheat for same destination is being loaded from Uttar Pradesh at Rs 1825 to Rs 1830 per qtl. however, there is a difference of quality.
- **Export demand for Indian wheat has decreased considerably due to disparity** and status quo is expected to remain intact in the weeks ahead. 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. The difference of \$30 per tonne discourages foreign buyers for Indian wheat.
- **Wheat market may move slightly up from current level of RS 1450 to Rs 1550 per qtl** to Rs 1600/ 1650 per qtl. by October. The difference of RS 75 to RS 100 per qtl between private and OMSS price may encourage millers to receive wheat from central pool stock. Right now there is a marginal difference between the two. So private trade/millers would prefer to source wheat from open market. The reason is mainly attributed to 15 days credit and 1 to 1.5 percent cash discount.
- **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.
- **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.
- **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:

- **Pakistan's flour millers bought around 100,000 tons of wheat** from the Black Sea region this week, while importers in Bangladesh booked 50,000 tons. Importers in Pakistan paid \$269.50 a ton, including cost and freight, for two cargoes of wheat with 11.5% protein. One cargo is scheduled to be shipped in October and the other is for arrival between October 15 and November 15. Buyers in Bangladesh paid \$255 a ton for 50,000 tons of wheat with 10.5% protein. It is due for shipment in the second half of September.
- **Inflation and domestic demand of wheat in Russia is fulfilled with** bumper production and falling of domestic prices whereas weakening of rouble has supported export of wheat from Russia. The largest buyers of Russian wheat in 2013/14 (July/June) were Egypt, Turkey, Yemen and Iran.
- **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.

Domestic market Outlook:

Wheat cash market may stay steady to slightly weak.

NCDEX Wheat Futures								Date:19:08:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Aug-14	-9	1580	1600	1571	1584	1,140	1,100	1,420	-1,090
Sep-14	-1	1575	1585	1575	1579	1,020	230	8,230	600
Oct-14	-3	1593	1594	1590	1590	100	90	390	60

Wheat Daily Report

20th August 2014

Spread	Aug-14	Sept-14	Oct-14	Nov-14
Spot				
Aug-14	-9			
Sept-14		-5		
Oct-14			11	

Stocks	Demat	In- Process	Total	FED
	18.8.2014	18.8.2014	18.8.2014	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 19.8.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			19-Aug-14	16-Aug-14	
Delhi	Lawrence Road	Mill Delivery	1575	1580	-5
	Narella	Mill Quality Loose	Closed	Closed	-
	Nazafgarh	Mill Quality Loose	1510	1500	10
Gujarat	Rajkot	Mill Delivery	Closed	Closed	-
	Ahmedabad	Mill Delivery	Closed	Closed	-
	Surat	Mill Delivery	Closed	Closed	-
M.P.	Bhopal	Lokwan	1600	1650	-50
	Indore	Mill Delivery	1620	1650	-30
Rajasthan	Kota	Mill Quality Loose	1500	1500	Unch
		Mill Delivery	1590	1590	Unch
U.P.	Kanpur	Mill Delivery	1575	1575	Unch
	Mathura	Mill Quality Loose	1450	1460	-10

	Kosi	Mill Quality Loose	1450	1450	Unch
	Hathras	Mill Quality Loose	1425	NA	-
	Aligarh	Mill Quality Loose	1430	NA	-
Punjab	Khanna	Mill Quality Loose	1425	1425	Unch
	(Ludhiana)Jagraon	Mill Delivery	1500	1500	Unch
Haryana	Sirsa	Mill Delivery loose	1460	1460	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	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	1650	1650	Unch
	Gandhidham(Rajasthan-Kota)	Mill Quality	1650	1650	Unch

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			19-Aug-14	16-Aug-14	
	Lawrence Road	Mill Delivery	5000	13000	-8000
	Narella	Mill Quality Loose	Closed	Closed	-
	Nazafgarh	Mill Quality Loose	600	500	100
Gujarat	Rajkot	Mill Quality Loose	Closed	Closed	-
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	2000	5000	-3000
Rajasthan	Kota	Mill Quality	10000	15000	-5000
U.P.	Kanpur	Mill Quality Loose	700	600	100
	Mathura	Mill Quality Loose	300	300	Unch
	Kosi	Mill Quality Loose	150	100	50
	Hathras	Mill Quality Loose	50	NA	-
	Aligarh	Mill Quality Loose	700	NA	-
Punjab	Khanna	Mill Quality Loose	400	400	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	100	100
	Hodal	Mill Quality Loose	100	100	Unch
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	1000	500	500

	Panipat	Mill Quality Loose	NA	NA	-
--	---------	--------------------	----	----	---

Wheat Products Delhi	19-Aug-14	16-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)	628	628	Unch
Chokar (34 kg)	397	397	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

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php> © 2014 Indian Agribusiness Systems Pvt Ltd.