

Wheat Domestic Fundamentals:

- **Wheat cash market stays steady to slightly weak on higher arrivals from** upcountry markets and lower offtake by millers in major consuming centers. Besides, continuous holidays restricted normal course of trading. Recommended hike of Rs 50 per qtl. may support market to some extent October onward. Supply side is likely to be at comfortable level even in the lean season.
- **Despite disparity on export front and bearish outlook in global wheat market** Indian exporters managed to offload some quantity of wheat in markets like Vietnam, Djibouti, U.A.E., Philippines etc around \$284/tonnes on FoB basis through Kandla, Mundra ports. As per IBIS data wheat export from India was registered 14,953 tonnes during 11th to 17th August. However, global wheat market seems to be in surplus state and opportunity for Indian exporters remains still unfavorable.
- **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.
- **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.

International Market Update:

- **Egypt, the top wheat importer (around 10 million tonne annually)** is trying to reduce import dependency and for this goal local agriculture ministry has planned to encourage farmers to grow more wheat in the years to come. The target has been fixed to achieve 75 percent of self sufficiency by 2017. Area under wheat is bound to increase. However, import would continue as per requirement.
- **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:01:09:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Sep-14	-3	1561	1565	1547	1551	830	7830	-3	1561
Oct-14	0	1579	1579	1561	1571	180	2120	0	1579
Nov-14	0	0	0	0	1592			0	0

Spread	Sept-14	Oct-14	Nov-14	Dec-14
Spot				
Sept-14	24			
Oct-14		20		
Nov-14			21	

Stocks	Demat	In- Process	Total	FED
	30.8.2014	30.8.2014	30.8.2014	25.8.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	8207	0	8207	8207
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 25.08.14 (USD/T)							
CONTRACT MONTH	29 August 14	Week ago (22 Aug 2014)	1 Month ago(29 July 14)	3 Month ago(29 May 14)	6 Month ago(28 Feb 14)	1 Year ago(29 August 13)	% Change over previous year
14-Sep	202.16	202.80	191.05	236.97	226.69	248.00	-18.48
14-Dec	207.03	206.48	199.87	243.95	231.09	252.40	-17.98
15-Mar	214.01	213.09	208.68	249.83	234.77	255.34	-16.19
15-May	217.59	216.40	214.56	252.77	236.24	255.34	-14.78
15-Jul	220.16	218.97	218.24	254.24	234.03	253.87	-13.28
15-Sep	223.38	222.64	223.01	256.45	235.87	254.24	-12.14

Wheat Daily Prices and Arrivals on 01.9.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			1-Sep-14	30-Aug-14	
Delhi	Lawrence Road	Mill Delivery	1575	1570	5
	Narella	Mill Quality Loose	Closed	Closed	-
	Nazafgarh	Mill Quality Loose	1510	1505	5
Gujarat	Rajkot	Mill Delivery	1550	1560	-10
	Ahmedabad	Mill Delivery	1660	1670	-10
	Surat	Mill Delivery	1680	1690	-10
M.P.	Bhopal	Lokwan	1550	Closed	-
	Indore	Mill Delivery	1605	Closed	-
Rajasthan	Kota	Mill Quality Loose	1480	1470	10
		Mill Delivery	1560	1550	10
U.P.	Kanpur	Mill Delivery	1550	1550	Unch

	Mathura	Mill Quality Loose	1460	1460	Unch
	Kosi	Mill Quality Loose	1455	1450	5
	Hathras	Mill Quality Loose	1420	1430	-10
	Aligarh	Mill Quality Loose	1440	1440	Unch
Punjab	Khanna	Mill Quality Loose	1435	1435	Unch
	(Ludhiana).Jagraon	Mill Delivery	1500	1500	Unch
Haryana	Sirsa	Mill Delivery loose	1465	1460	5
	Hodal	Mill Delivery	1580	1580	Unch
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	1460	1470	-10
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1775	1790	-15
	Madurai	Mill Quality	1832	1847	-15
	Coimbatore	Mill Quality	1832	1847	-15
Bihar	Sitamari	Mill Delivery	1650	NA	-
	Khagariya	Mill Delivery	NA	1450	-
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1650	1660	-10
	Gandhidham(Rajasthan-Kota)	Mill Quality	1650	1660	-10

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			1-Sep-14	30-Aug-14	
	Lawrence Road	Mill Delivery	5000	6000	-1000
	Narella	Mill Quality Loose	Closed	Closed	-
	Nazafgarh	Mill Quality Loose	300	300	Unch
Gujarat	Rajkot	Mill Quality Loose	1500	1100	400
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	4000	Closed	-
Rajasthan	Kota	Mill Quality	4000	5000	-1000
U.P.	Kanpur	Mill Quality Loose	700	600	100
	Mathura	Mill Quality Loose	500	300	200
	Kosi	Mill Quality Loose	200	200	Unch
	Hathras	Mill Quality Loose	150	100	50
	Aligarh	Mill Quality Loose	1500	500	1000
Punjab	Khanna	Mill Quality Loose	500	400	100
	(Ludhiana).Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	300	400	-100
	Hodal	Mill Quality Loose	200	100	100
	Karnal	Mill Quality Loose	NA	NA	-

	Bhiwani	Mill Quality Loose	300	300	Unch
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	1-Sep-14	30-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)	663	663	Unch
Chokar (34 kg)	418	418	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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