

Wheat Domestic Fundamentals:

- **According to IBIS (provisional data), export of wheat in the month of August** was 0.43 Lakh tones which is around 69% less than last year at the same month, which was 1.37 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.
- **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.

International Market Update:

- **Egypt had bought 60,000 tonnes of French wheat from Granit** and 60,000 tonnes of Romanian wheat from Bunge at an average price of \$258.89/tonne (CiF). Earlier Egypt had stopped buying from France as they don't allow import of wheat with moisture content was more than 13 percent whereas in 2013 the average moisture content of France wheat was 13.5. In June, Egypt raised its tolerance again for moisture content to 13.5 percent, albeit with heavier penalties, but had not made a French wheat purchase due to lower price offered by Russian, Romanian and Ukrainian.
- **South Korean mill CJ Cheiljedang Corp bought 21,200 tonnes wheat** (max. 10.5 protein) at Fob around \$260-263/tonne and 4,900 tonnes wheat (max. 8.5 protein) at Fob \$300/tonne from U.S. which is scheduled for shipment between Jan. 1 and 31, 2015.
- **The International Grains Council raised its forecast for global wheat** production in 2014/15 to 713 million tonnes, up from a previous forecast of 702 million. Better production in Russia, the European Union and China is the main reason for increase in production estimate.

Domestic market Outlook:

Wheat cash market may stay steady to slightly weak.

NCDEX Wheat Futures								Date:05:09:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Sep-14	5	1554	1560	1534	1560	1,060	360	7,450	-110
Oct-14	5	1573	1579	1540	1579	610	300	2,750	280
Nov-14	1	1593	1594	1593	1594	20	20	600	0

Spread	Sept-14	Oct-14	Nov-14	Dec-14
Spot				
Sept-14	30			
Oct-14		19		
Nov-14			15	

Stocks	Demat	In- Process	Total	FED
	04.9.2014	034.9.2014	04.9.2014	01.9.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	8207	0	8207	8207
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 03.09.14 (USD/T)							
CONTRACT MONTH	03 Sept 14	Week ago (28 Aug 2014)	1 Month ago(04 Aug 14)	3 Month ago(04 June 14)	6 Month ago(04 Mar 14)	1 Year ago(04 Sept 13)	% Change over previous year
14-Sep	192.33	204.46	199.87	229.63	240.46	245.79	-21.75
14-Dec	196.83	210.06	207.40	237.52	244.96	250.29	-21.36
15-Mar	204.46	217.23	214.38	243.95	247.44	253.14	-19.23
15-May	209.33	220.72	218.88	247.54	248.18	254.15	-17.64
15-Jul	212.36	222.37	221.91	249.46	244.23	252.77	-15.99
15-Sep	216.21	225.40	226.04	252.31	245.61	253.23	-14.62

Wheat Daily Prices and Arrivals on 05.9.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			5-Sep-14	04-Sep-14	
Delhi	Lawrence Road	Mill Delivery	1590	1590	Unch
	Narella	Mill Quality Loose	Closed	Closed	-
	Nazafgarh	Mill Quality Loose	1520	1510	10
Gujarat	Rajkot	Mill Delivery	1540	1550	-10
	Ahmedabad	Mill Delivery	1660	1660	Unch
	Surat	Mill Delivery	1680	1685	-5
M.P.	Bhopal	Lokwan	1550	1525	25
	Indore	Mill Delivery	1600	1605	-5
Rajasthan	Kota	Mill Quality Loose	1480	1480	Unch

		Mill Delivery	1560	1560	Unch
U.P.	Kanpur	Mill Delivery	1560	1560	Unch
	Mathura	Mill Quality Loose	1460	1460	Unch
	Kosi	Mill Quality Loose	1470	1455	15
	Hathras	Mill Quality Loose	1420	1425	-5
	Aligarh	Mill Quality Loose	1440	1440	Unch
Punjab	Khanna	Mill Quality Loose	1430	1435	-5
	(Ludhiana)Jagraon	Mill Delivery	1500	1500	Unch
Haryana	Sirsa	Mill Delivery loose	1465	1465	Unch
	Hodal	Mill Delivery	1580	1580	Unch
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	1470	1460	10
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1775	1775	Unch
	Madurai	Mill Quality	1832	1832	Unch
	Coimbatore	Mill Quality	1832	1832	Unch
Bihar	Sitamari	Mill Delivery	NA	1590	-
	Khagariya	Mill Delivery	NA	NA	-
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			5-Sep-14	4-Sep-14	
	Lawrence Road	Mill Delivery	9000	7000	2000
	Narella	Mill Quality Loose	Closed	Closed	-
	Nazafgarh	Mill Quality Loose	300	300	Unch
Gujarat	Rajkot	Mill Quality Loose	800	1100	-300
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	3000	4000	-1000
Rajasthan	Kota	Mill Quality	3000	3000	Unch

U.P.	Kanpur	Mill Quality Loose	700	600	100
	Mathura	Mill Quality Loose	500	300	200
	Kosi	Mill Quality Loose	200	100	100
	Hathras	Mill Quality Loose	200	100	100
	Aligarh	Mill Quality Loose	1000	1000	Unch
Punjab	Khanna	Mill Quality Loose	600	500	100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	NA	100	-
	Hodal	Mill Quality Loose	NA	200	-
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	700	200	500
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	5-Sep-14	4-Sep-14	Change
Atta (50kg) Ordinary	915	915	Unch
Maida Grade 1 (90kg)	2202	2202	Unch
Maida Grade 1 (50KG)	1205	1205	Unch
Suji (50kg)	1205	1205	Unch
Chokar (50 kg)	683	683	Unch
Chokar (34 kg)	430	430	Unch
Chakki Atta (50kg)	965	965	Unch
Chakki Atta (50kg) Special	985	985	Unch
Chakki Atta (90kg) Superfine	1816	1800	16
Chakki Atta (50kg) Superfine	990	990	Unch

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