

Wheat Domestic Fundamentals:

- **Wheat cash market continues to trade steady to slightly lower on the** back of ample supply side through private and govt.'s channel. Millers have started buying from central pool stock as per their requirements. Private stockists too are releasing stock with diminishing possibility of firmness.
- **Market is well aware of emerging scenario that govt. has allocated** 10 million tonne wheat for OMSS for rest of the season, up to March,2015.It would ensure ample supply throughout the season and not allow market to move up beyond a certain level. Export opportunity has turned pale and Indian wheat remains uncompetitive.
- **According to IBIS (provisional data), export of wheat in the month of August** was 0.43 Lakh tonnes 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.
- **Recommendation by CACP for wheat MSP is most likely to be accepted by** the govt. for ensuing season 2015-16, starting from April,2015. Commission for Agricultural Costs and Prices has suggested to hike of Rs 50 per qtl for wheat to Rs 1450 .However, it will not impact current price of wheat as supply side would be at comfortable level.
- **As export disparity continues to hover in the range of \$30 to \$35 per tonne**, export volume is unlikely to improve in sept/Oct too. As lean season has started in India, no major fall from current level is expected in the third quarter of the year. India would be able to export some quantity in neighboring countries
- **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 stock in central pool as on 1st Sept.,2014 was registered at 354.98 lakh tonne** which is almost 2.5 times higher than 140 lakh tonne required on 1st October,2014 under buffer and strategic reserve.

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.

NCDEX Wheat Futures								Date:10:09:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Sep-14	-6	1543	1556	1539	1540	4160	3580	3650	-3610
Oct-14	-6	1584	1585	1575	1577	4120	3840	4750	1880
Nov-14	7	1588	1600	1588	1596	140	120	620	10

Spread	Sept-14	Oct-14	Nov-14	Dec-14
Spot				
Sept-14	35			
Oct-14		16		
Nov-14			19	

Stocks	Demat	In- Process	Total	FED
	09.9.2014	09.9.2014	09.9.2014	08.9.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	8207	0	8207	8207
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 08.09.14 (USD/T)							
CONTRACT MONTH	09 Sept 14	Week ago (09 Sep 2014)	1 Month ago(11 Aug 14)	3 Month ago(09 June 14)	6 Month ago(10 Mar 14)	1 Year ago(09 Sept 13)	% Change over previous year
14-Sep	193.80	199.68	200.78	229.53	240.37	243.95	-20.56
14-Dec	193.80	203.91	206.75	238.17	244.50	247.90	-21.82
15-Mar	199.87	210.70	213.55	245.42	246.71	250.84	-20.32
15-May	203.91	214.56	218.14	249.56	247.44	251.21	-18.83
15-Jul	207.40	217.13	220.44	252.04	244.87	249.83	-16.99
15-Sep	211.62	220.72	224.76	255.43	246.07	250.29	-15.45

Wheat Daily Prices and Arrivals on 10.9.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			10-Sep-14	09-Sep-14	
Delhi	Lawrence Road	Mill Delivery	1580	1595	-15
	Narella	Mill Quality Loose	Closed	1490	-
	Nazafgarh	Mill Quality Loose	Closed	1510	-
Gujarat	Rajkot	Mill Delivery	1540	1540	Unch
	Ahmedabad	Mill Delivery	1660	1640	20
	Surat	Mill Delivery	1690	1660	30
M.P.	Bhopal	Lokwan	1550	1525	25
	Indore	Mill Delivery	1600	1600	Unch
Rajasthan	Kota	Mill Quality Loose	1475	1475	Unch
		Mill Delivery	1550	1550	Unch
U.P.	Kanpur	Mill Delivery	1550	1555	-5

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	Mathura	Mill Quality Loose	1455	1450	5
	Kosi	Mill Quality Loose	1470	1460	10
	Hathras	Mill Quality Loose	1450	1450	Unch
	Aligarh	Mill Quality Loose	NA	1435	-
Punjab	Khanna	Mill Quality Loose	1430	1430	Unch
	(Ludhiana).Jagraon	Mill Delivery	1530	1530	Unch
Haryana	Sirsa	Mill Delivery loose	1460	1465	-5
	Hodal	Mill Delivery	1610	1610	Unch
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	1500	1490	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	1590	1580	10
	Khagariya	Mill Delivery	1600	1600	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			10-Sep-14	9-Sep-14	
	Lawrence Road	Mill Delivery	9000	8000	1000
	Narella	Mill Quality Loose	Closed	500	-
	Nazafgarh	Mill Quality Loose	Closed	400	-
Gujarat	Rajkot	Mill Quality Loose	1800	1200	600
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	1500	2000	-500
Rajasthan	Kota	Mill Quality	1500	2000	-500
U.P.	Kanpur	Mill Quality Loose	700	700	Unch
	Mathura	Mill Quality Loose	350	300	50
	Kosi	Mill Quality Loose	100	200	-100
	Hathras	Mill Quality Loose	100	100	Unch
	Aligarh	Mill Quality Loose	NA	700	-
Punjab	Khanna	Mill Quality Loose	500	400	100
	(Ludhiana).Jagraon	Mill Quality Loose	NA	500	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	100	100	Unch
	Karnal	Mill Quality Loose	NA	NA	-

	Bhiwani	Mill Quality Loose	700	400	300
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	10-Sep-14	9-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	1816	Unch
Chakki Atta (50kg) Superfine	990	990	Unch

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