

Wheat Domestic Fundamentals:

- **Cash wheat market continues to reel under pressure on** ample availability ensured by govt. by allocating 10 million tonne for rest of the marketing year. Besides, there is no export demand and private trades too are lightening their stock in the market with diminishing possibility of uptrend in the lean season.
- **Millers have started purchasing wheat from central pool stock through** tender and wheat flow is likely to continue for them for the whole of the season. Demand from south Indian millers has slowed down in recent weeks. Wheat from Kota region of Rajasthan is being loaded to Bangalore at RS 1845/1850 per qtl. on delivered basis.
- **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 \$35 to \$37 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 like Bangladesh, Shrilanka.
- **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 increase in Sept. Wheat may trade in the range of Rs 1450 to Rs 1570 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:

- **USDA has said in its latest release that global wheat production will** touch at 719.95 million tonne. It is .05 percent higher than August estimate. The reason of higher production estimate is mainly attributed to higher production in Ukraine and EU. Overall wheat stock will increase by 5.3 percent from last year.
- **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 is likely to trade steady to slightly weak.

NCDEX Wheat Futures								Date:15:09:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Sep-14	24.00	1560.00	1560.00	1552.00	1552.00	30	20	530	10.00
Oct-14	30.00	1570.00	1610.00	1569.00	1597.00	4,220	3890	6680	260.00
Nov-14	23.00	1600.00	1625.00	1598.00	1606.00	940	-	1180	560.00

Wheat Daily Report

17th September, 2014

Spread	Sept-14	Oct-14	Nov-14	Dec-14
Spot				
Sept-14	48			
Oct-14		-45		
Nov-14			-9	

Stocks	Demat	In- Process	Total	FED
	15.9.2014	15.9.2014	15.9.2014	15.9.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	8207	0	8207	8207
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 15.09.14 (USD/T)							
CONTRACT MONTH	15 Sept 14	Week ago (08 Sep 2014)	1 Month ago (15 Aug 14)	3 Month ago (16 June 14)	6 Month ago (17 Mar 14)	1 Year ago (16 Sept 13)	% Change over previous year
14-Dec	183.98	196.01	207.03	224.57	255.71	245.06	-24.93
15-Mar	190.41	202.35	214.38	231.19	257.73	247.44	-23.05
15-May	194.45	206.66	218.69	235.41	258.10	248.18	-21.65
15-Jul	197.75	210.15	221.63	237.43	253.78	248.09	-20.29
15-Sep	201.79	214.38	226.23	240.65	255.07	249.37	-19.08
15-Dec	207.67	220.16	231.74	245.33	258.19	252.86	-17.87

Wheat Daily Prices and Arrivals on 16.9.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			16-Sep-14	15-Sep-14	
Delhi	Lawrence Road	Mill Delivery	1600	1600	Unch
	Narella	Mill Quality Loose	1550	1515	35
	Nazafgarh	Mill Quality Loose	1520	1520	Unch
Gujarat	Rajkot	Mill Delivery	1530	1550	-20
	Ahmedabad	Mill Delivery	1620	1660	-40
	Surat	Mill Delivery	1650	1680	-30
M.P.	Bhopal	Lokwan	1550	1550	Unch
	Indore	Mill Delivery	1600	1600	Unch
Rajasthan	Kota	Mill Quality Loose	1490	1480	10
		Mill Delivery	1570	1560	10
U.P.	Kanpur	Mill Delivery	1560	1560	Unch

Wheat Daily Report

17th September, 2014

	Mathura	Mill Quality Loose	1475	1460	15
	Kosi	Mill Quality Loose	1460	1460	Unch
	Hathras	Mill Quality Loose	1470	1470	Unch
	Aligarh	Mill Quality Loose	1440	1440	Unch
Punjab	Khanna	Mill Quality Loose	1420	1435	-15
	(Ludhiana)Jagraon	Mill Delivery	1530	1530	Unch
Haryana	Sirsa	Mill Delivery loose	1460	1460	Unch
	Hodal	Mill Delivery	1610	1610	Unch
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	1500	1500	Unch
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1775	1780	-5
	Madurai	Mill Quality	1832	1837	-5
	Coimbatore	Mill Quality	1832	1837	-5
Bihar	Sitamari	Mill Delivery	1615	1600	15
	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			16-Sep-14	15-Sep-14	
	Lawrence Road	Mill Delivery	6000	7000	-1000
	Narella	Mill Quality Loose	600	800	-200
	Nazafgarh	Mill Quality Loose	500	300	200
Gujarat	Rajkot	Mill Quality Loose	1400	1900	-500
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	4000	3000	1000
Rajasthan	Kota	Mill Quality	6000	5000	1000
U.P.	Kanpur	Mill Quality Loose	600	700	-100
	Mathura	Mill Quality Loose	300	200	100
	Kosi	Mill Quality Loose	150	150	Unch
	Hathras	Mill Quality Loose	350	NA	-
	Aligarh	Mill Quality Loose	700	500	200
Punjab	Khanna	Mill Quality Loose	500	500	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	100	100
	Hodal	Mill Quality Loose	150	200	-50
	Karnal	Mill Quality Loose	NA	NA	-

	Bhiwani	Mill Quality Loose	800	500	300
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	16-Sep-14	15-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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