

Wheat Domestic Fundamentals:

- **Wheat prices slightly moved up in major cash market due to seasonal factors** and restricted arrivals from private ends during the week under review. Wheat FAQ in Delhi market moved up from Rs1580 to Rs 1615 per qtl. Wheat in Delhi is coming from Uttar Pradesh, mainly from Bulandshahar region and is being delivered at Rs 1600 per qtl. Loose price in Narela mandi is hovering in the range of Rs 1540 and an increase of Rs 25 per qtl. has been recorded in this market too. Arrival has decreased considerably and private millers have turned to FCI stock to fulfill their additional requirement.
- **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.

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:19:09:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Sep-14	-4.00	1551.00	1575.00	1545.00	1575.00	50	-	430	-
Oct-14	1.00	1600.00	1604.00	1595.00	1602.00	850	-	7050	-
Nov-14	-3.00	1595.00	1606.00	1595.00	1603.00	600	-	1790	-

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
	19.9.2014	19.9.2014	19.9.2014	15.9.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	7670	0	7670	8207
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 19.09.14 (USD/T)							
CONTRACT MONTH	19 Sept 14	Week ago (12 Sep 2014)	1 Month ago (19 Aug 14)	3 Month ago (19 June 14)	6 Month ago (19 Mar 14)	1 Year ago (19 Sept 13)	% Change over previous year
14-Dec	174.33	184.62	202.07	226.23	269.12	667.00	-73.86
15-Mar	180.39	191.05	212.08	236.15	270.87	252.86	-28.66
15-May	184.62	195.00	215.85	240.46	270.59	253.78	-27.25
15-Jul	188.11	198.03	218.97	242.39	264.90	253.14	-25.69
15-Sep	192.89	202.07	223.56	245.79	266.09	254.42	-24.19
15-Dec	199.04	207.86	228.89	250.57	269.12	257.55	-22.72

Wheat Daily Prices and Arrivals on 20.9.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			20-Sep-14	19-Sep-14	
Delhi	Lawrence Road	Mill Delivery	1610	1610	Unch
	Narella	Mill Quality Loose	1540	1540	Unch
	Nazafgarh	Mill Quality Loose	1540	1550	-10
Gujarat	Rajkot	Mill Delivery	1550	1560	-10
	Ahmedabad	Mill Delivery	1680	1670	10
	Surat	Mill Delivery	1715	1690	25
M.P.	Bhopal	Lokwan	1600	1600	Unch
	Indore	Mill Delivery	1585	1600	-15
Rajasthan	Kota	Mill Quality Loose	1480	1500	-20
		Mill Delivery	1580	1580	Unch
U.P.	Kanpur	Mill Delivery	1560	1565	-5

	Mathura	Mill Quality Loose	1465	1475	-10
	Kosi	Mill Quality Loose	1480	1470	10
	Hathras	Mill Quality Loose	1475	1470	5
	Aligarh	Mill Quality Loose	1440	1440	Unch
Punjab	Khanna	Mill Quality Loose	1430	1450	-20
	(Ludhiana).Jagraon	Mill Delivery	1530	1530	Unch
Haryana	Sirsa	Mill Delivery loose	1465	1465	Unch
	Hodal	Mill Delivery	1610	1610	Unch
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	1520	1520	Unch
	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	1610	-
	Khagariya	Mill Delivery	1600	1600	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1640	1650	-10
	Gandhidham(Rajasthan-Kota)	Mill Quality	1640	1650	-10

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			20-Sep-14	19-Sep-14	
	Lawrence Road	Mill Delivery	8000	7000	1000
	Narella	Mill Quality Loose	700	700	Unch
	Nazafgarh	Mill Quality Loose	500	500	Unch
Gujarat	Rajkot	Mill Quality Loose	900	1200	-300
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	2500	3500	-1000
Rajasthan	Kota	Mill Quality	7000	5000	2000
U.P.	Kanpur	Mill Quality Loose	600	500	100
	Mathura	Mill Quality Loose	200	400	-200
	Kosi	Mill Quality Loose	300	150	150
	Hathras	Mill Quality Loose	150	300	-150
	Aligarh	Mill Quality Loose	500	500	Unch
Punjab	Khanna	Mill Quality Loose	600	600	Unch
	(Ludhiana).Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	300	-100
	Hodal	Mill Quality Loose	150	100	50
	Karnal	Mill Quality Loose	NA	NA	-

	Bhiwani	Mill Quality Loose	500	500	Unch
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	20-Sep-14	19-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

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.