

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 have decreased considerably and private millers have turned to FCI stock to fulfill their additional requirement.
- **Wheat prices in Madhya Pradesh have been steady at Rs 1600 per qtl.** While in Rajasthan it moved up from Rs 1550 to Rs 1580 per qtl. Wheat loading from Rajasthan to Bangalore has been reported at Rs 1840 per qtl on delivered basis. There is no rake loading for south India reported from M.P. this week. Fresh buying is expected from next week as Dashhara is round the corner and demand for wheat products is expected to increase. Major festival Dipawali too is in October so wheat demand would increase in the weeks ahead.
- **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.
- **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:22:09:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Sep-14	-4.00	1608.00	1608.00	1589.00	1598.00	2,030	1980	7010	6580
Oct-14	-12.00	1595.00	1595.00	1579.00	1590.00	850	0	1940	-5110
Nov-14	-15.00	1608.00	1614.00	1605.00	1610.00	750	150	1380	-410

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
	20.9.2014	20.9.2014	20.9.2014	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 22.9.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			22-Sep-14	20-Sep-14	
Delhi	Lawrence Road	Mill Delivery	1595	1610	-15
	Narella	Mill Quality Loose	1525	1540	-15
	Nazafgarh	Mill Quality Loose	1545	1540	5
Gujarat	Rajkot	Mill Delivery	1550	1550	Unch
	Ahmedabad	Mill Delivery	1690	1680	10
	Surat	Mill Delivery	1720	1715	5
M.P.	Bhopal	Lokwan	1625	1600	25
	Indore	Mill Delivery	1585	1585	Unch
Rajasthan	Kota	Mill Quality Loose	1490	1480	10
		Mill Delivery	1560	1580	-20
U.P.	Kanpur	Mill Delivery	1550	1560	-10

	Mathura	Mill Quality Loose	1470	1465	5
	Kosi	Mill Quality Loose	1480	1480	Unch
	Hathras	Mill Quality Loose	1500	1475	25
	Aligarh	Mill Quality Loose	1440	1440	Unch
Punjab	Khanna	Mill Quality Loose	1420	1430	-10
	(Ludhiana).Jagraon	Mill Delivery	1560	1530	30
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	1750	1775	-25
	Madurai	Mill Quality	1807	1832	-25
	Coimbatore	Mill Quality	1807	1832	-25
Bihar	Sitamari	Mill Delivery	NA	NA	-
	Khagariya	Mill Delivery	NA	1600	-
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1650	1640	10
	Gandhidham(Rajasthan-Kota)	Mill Quality	1650	1640	10

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			22-Sep-14	20-Sep-14	
	Lawrence Road	Mill Delivery	9000	8000	1000
	Narella	Mill Quality Loose	500	700	-200
	Nazafgarh	Mill Quality Loose	400	500	-100
Gujarat	Rajkot	Mill Quality Loose	2000	900	1100
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	4000	2500	1500
Rajasthan	Kota	Mill Quality	6000	7000	-1000
U.P.	Kanpur	Mill Quality Loose	700	600	100
	Mathura	Mill Quality Loose	200	200	Unch
	Kosi	Mill Quality Loose	200	300	-100
	Hathras	Mill Quality Loose	200	150	50
	Aligarh	Mill Quality Loose	700	500	200
Punjab	Khanna	Mill Quality Loose	600	600	Unch
	(Ludhiana).Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	100	150	-50
	Karnal	Mill Quality Loose	NA	NA	-

Wheat Daily Report

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

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