

Wheat Domestic Fundamentals:

- **FCI has invited bids for 1Lakh Tn wheat selling through tender in Haryana region** at reserve price of Rs 1500/quintal just to augment supply in the open market especially for the flour millers in the month of October. It will restrict open market from firming up in the near term. More tender for wheat selling is likely in the third quarter as government has to sell almost 10MMt wheat in the rest of the current marketing year.
- **Wheat stock in central pool warehouses was registered at 32.26 million T** on 01 October compared to 35.17 million T on 1st September 2014. The highest accumulated stock is in Punjab (12.36 million T) followed by Madhya Pradesh (6.62 million tonne) and Haryana (5.89 million Tonne) as on 01.10.2014.
- **Export opportunity of Indian wheat to other countries is lower** due FOB parity. India Fob at Kandla port is around \$273-278/Tn as compare to Australia (\$264-267), U.S. (\$250-255) and Russia (\$230-235). In coming days domestic prices is going to increase due to increase demand by festive season therefore export is going to be on more lower side.
- **According to IBIS, export of wheat in the first week of October** was around 22 Thousand Mt. The major export destination of Indian wheat was UAE from Kandla port which accounted 20 thousand MT at an average FOB price of \$280.97/Tn .Other countries were Taiwan, Sri Lanka, Qatar, Bahrain, Malaysia and Philippines.
- **According to IBIS (provisional data), export of wheat in the month of September** was 0.52 Lakh tonnes which is around 70% less than last year at the same month, which was 1.79 Lakh tones in September 2013.The reason behind the lower export is attributed to disparity from other exporting countries like U.S.A., Russia and Ukraine.

International Market Update:

- **Glencore, Vitol and Mesopotamia got the tender to supply 2, 00,000 tonnes of milling wheat to Turkey** grain board. They got the tender in the range of \$262-\$268 a tonne c&f and have to deliver shipment between Oct. 25 to Nov. 20.. The wheat is likely to be sourced from a range of origins including Russia, Ukraine, the European Union and United States.
- **Russia got the latest tender of GASC's of 55,000 Tonne wheat** of 12.5 percent protein content at \$239.30 a tonne on a free-on-board basis (FOB).The tender has given the necessary support to the declining wheat prices in Russia; however it may further move southward as export demand is reducing due to price competitiveness.
- **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.

Domestic market Outlook:

Wheat cash market is likely to trade steady.

NCDEX Wheat Futures								Date:16:10:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Oct-14	33	1632	1653	1630	1653	1,340	1,060	1,950	-1,020
Nov-14	0	1591	1592	1580	1590	1,840	690	7,700	110
Dec-14	-2	1646	1646	1595	1617	1,250	910	3,010	450

Spread	Oct-14	Nov-14	Dec-14	
Spot				
Oct-14	-33			
Nov-14		-63		
Dec-14			27	

Stocks	Demat	In- Process	Total	FED
	14.10.2014	14.10.2014	14.10.2014	13.10.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	6595	0	6595	6595
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 15.10.14 (USD/T)							
CONTRACT MONTH	15 Oct 14	Week ago (08 Oct 2014)	1 Month ago (15 Sept 14)	3 Month ago (15 July 14)	6 Month ago (15 Apr 14)	1 Year ago (15 Oct 13)	% Change over previous year
14-Dec	185.90	186.55	183.98	206.11	268.75	259.02	-28.23
15-Mar	190.31	190.77	190.41	213.83	273.16	261.04	-27.09
15-May	192.89	193.25	194.45	219.34	275.18	260.39	-25.93
15-Jul	195.55	196.19	197.75	223.56	269.58	256.26	-23.69
15-Sep	199.22	200.42	201.79	228.34	270.68	258.19	-22.84
15-Dec	204.64	206.48	207.67	233.85	273.35	261.77	-21.82

Wheat Daily Prices and Arrivals on 16.10.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			16-Oct-14	15-Oct-14	
Delhi	Lawrence Road	Mill Delivery	1620	1625	-5
	Narella	Mill Quality Loose	1545	Closed	-
	Nazafgarh	Mill Quality Loose	1550	Closed	-
Gujarat	Rajkot	Mill Delivery	1530	Closed	-
	Ahmedabad	Mill Delivery	1625	Closed	-
	Surat	Mill Delivery	1650	Closed	-
M.P.	Bhopal	Lokwan	1555	1560	-5
	Indore	Mill Delivery	1550	1600	-50
Rajasthan	Kota	Mill Quality Loose	1460	1470	-10
		Mill Delivery	1550	1560	-10
U.P.	Kanpur	Mill Delivery	1565	1565	Unch
	Mathura	Mill Quality Loose	1475	1475	Unch
	Kosi	Mill Quality Loose	1470	1470	Unch
	Hathras	Mill Quality Loose	NR	1475	-

	Aligarh	Mill Quality Loose	1450	Closed	-
Punjab	Khanna	Mill Quality Loose	1450	1430	20
	Ludhiana (Jagraon)	Mill Delivery	1560	1560	Unch
Haryana	Sirsa	Mill Delivery loose	1485	Closed	-
	Hodal	Mill Delivery	NA	NA	-
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	1530	Closed	-
	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	NR	NR	-
	Khagariya	Mill Delivery	1600	1600	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality	NA	NA	-
	Gandhidham(Rajasthan-Kota)	Mill Quality	NA	NA	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			16-Oct-14	15-Oct-14	
	Lawrence Road	Mill Delivery	7000	7000	Unch
	Narella	Mill Quality Loose	300	Closed	-
	Nazafgarh	Mill Quality Loose	300	Closed	-
Gujarat	Rajkot	Mill Quality Loose	2200	Closed	-
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	6000	4000	2000
	Indore	Mill Quality Loose	12000	10000	2000
Rajasthan	Kota	Mill Quality	14000	12000	2000
U.P.	Kanpur	Mill Quality Loose	700	700	Unch
	Mathura	Mill Quality Loose	200	300	-100
	Kosi	Mill Quality Loose	100	150	-50
	Hathras	Mill Quality Loose	NR	150	-
	Aligarh	Mill Quality Loose	600	Closed	-
Punjab	Khanna	Mill Quality Loose	500	500	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	300	Closed	-
	Hodal	Mill Quality Loose	NA	NA	-
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	300	Closed	-
	Panipat	Mill Quality Loose	NA	NA	-



Wheat Products Delhi	16-Oct-14	15-Oct-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)	445	445	Unch
Chokar (34 kg)	965	965	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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