

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 to slightly firm.

NCDEX Wheat Futures								Date:17:10:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Oct-14	-1	1652	1654	1645	1650	850	-490	1,110	-840
Nov-14	13	1590	1600	1589	1600	1,610	-230	7,810	110
Dec-14	15	1624	1638	1624	1635	310	-940	2,920	-90

Spread	Oct-14	Nov-14	Dec-14	
Spot				
Oct-14	-30			
Nov-14		-50		
Dec-14			35	

Stocks	Demat	In- Process	Total	FED
	16.10.2014	16.10.2014	16.10.2014	13.10.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	6595	0	6595	6595
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 16.10.14 (USD/T)							
CONTRACT MONTH	16 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	189.95	186.55	183.98	206.11	268.75	259.02	-26.67
15-Mar	194.26	190.77	190.41	213.83	273.16	261.04	-25.58
15-May	196.74	193.25	194.45	219.34	275.18	260.39	-24.44
15-Jul	199.41	196.19	197.75	223.56	269.58	256.26	-22.19
15-Sep	202.90	200.42	201.79	228.34	270.68	258.19	-21.42
15-Dec	208.13	206.48	207.67	233.85	273.35	261.77	-20.49

Wheat Daily Prices and Arrivals on 17.10.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			17-Oct-14	16-Oct-14	
Delhi	Lawrence Road	Mill Delivery	1620	1620	Unch
	Narella	Mill Quality Loose	1550	1545	5
	Nazafgarh	Mill Quality Loose	1545	1550	-5
Gujarat	Rajkot	Mill Delivery	1525	1530	-5
	Ahmedabad	Mill Delivery	1610	1625	-15
	Surat	Mill Delivery	1635	1650	-15
M.P.	Bhopal	Lokwan	1560	1555	5
	Indore	Mill Delivery	1610	1550	60
Rajasthan	Kota	Mill Quality Loose	1520	1460	60
		Mill Delivery	1570	1550	20
U.P.	Kanpur	Mill Delivery	1565	1565	Unch
	Mathura	Mill Quality Loose	1475	1475	Unch
	Kosi	Mill Quality Loose	1490	1470	20
	Hathras	Mill Quality Loose	1460	NR	-

	Aligarh	Mill Quality Loose	1480	1450	30
Punjab	Khanna	Mill Quality Loose	1480	1450	30
	Ludhiana (Jagraon)	Mill Delivery	1560	1560	Unch
Haryana	Sirsa	Mill Delivery loose	1485	1485	Unch
	Hodal	Mill Delivery	NA	NA	-
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	1530	1530	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	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			17-Oct-14	16-Oct-14	
	Lawrence Road	Mill Delivery	5000	7000	-2000
	Narella	Mill Quality Loose	400	300	100
	Nazafgarh	Mill Quality Loose	200	300	-100
Gujarat	Rajkot	Mill Quality Loose	1300	2200	-900
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	4000	6000	-2000
	Indore	Mill Quality Loose	4000	12000	-8000
Rajasthan	Kota	Mill Quality	8000	14000	-6000
U.P.	Kanpur	Mill Quality Loose	700	700	Unch
	Mathura	Mill Quality Loose	150	200	-50
	Kosi	Mill Quality Loose	150	100	50
	Hathras	Mill Quality Loose	150	NR	-
	Aligarh	Mill Quality Loose	250	600	-350
Punjab	Khanna	Mill Quality Loose	600	500	100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	300	-100
	Hodal	Mill Quality Loose	NA	NA	-
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	500	300	200
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi			17-Oct-14	16-Oct-14	Change
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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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