

Wheat Domestic Fundamentals:

- **Wheat sowing in Northern India is likely to delay by 15-20 days** from normal schedule due to late harvesting of paddy crop in Punjab and Haryana. Wheat sowing in Punjab and Haryana normally starts in the mid of October but this year it will start by the end of October.
- **According to IBIS, export of wheat in the second week of October** was around 1 Thousand Mt. The major export destination of Indian wheat was UAE from Mundra port which accounted .50 thousand MT at an average FOB price of \$312.07/Tn .Other countries were U.A.E, Bangladesh and Philippines.
- **FCI has invited bids fir 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 imparity. 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.

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:20:10:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Oct-14	-3	1610	1653	1610	1650	310	-540	1,070	-40
Nov-14	7	1601	1614	1601	1607	1,100	-510	8,230	420
Dec-14	1	1629	1647	1629	1636	150	-160	2,950	30

Spread	Oct-14	Nov-14	Dec-14	
Spot				
Oct-14	-30			
Nov-14		-43		
Dec-14			29	

Stocks	Demat	In- Process	Total	FED
	18.10.2014	18.10.2014	18.10.2014	13.10.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	6595	0	6595	6595
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 17.10.14 (USD/T)							
CONTRACT MONTH	17 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	189.58	186.55	183.98	206.11	268.75	259.02	-26.81
15-Mar	193.99	190.77	190.41	213.83	273.16	261.04	-25.69
15-May	196.38	193.25	194.45	219.34	275.18	260.39	-24.59
15-Jul	198.95	196.19	197.75	223.56	269.58	256.26	-22.37
15-Sep	202.35	200.42	201.79	228.34	270.68	258.19	-21.63
15-Dec	207.31	206.48	207.67	233.85	273.35	261.77	-20.81

Wheat Daily Prices and Arrivals on 20.10.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			20-Oct-14	18-Oct-14	
Delhi					
	Lawrence Road	Mill Delivery	1620	1618	2
	Narella	Mill Quality Loose	1565	1550	15
	Nazafgarh	Mill Quality Loose	1540	1550	-10
Gujarat	Rajkot	Mill Delivery	1525	1530	-5
	Ahmedabad	Mill Delivery	1625	1625	Unch
	Surat	Mill Delivery	1650	1650	Unch
M.P.	Bhopal	Lokwan	1560	1560	Unch
	Indore	Mill Delivery	1610	1610	Unch
Rajasthan	Kota	Mill Quality Loose	1500	1520	-20
		Mill Delivery	1580	1570	10
U.P.	Kanpur	Mill Delivery	1565	1565	Unch
	Mathura	Mill Quality Loose	1475	1475	Unch
	Kosi	Mill Quality Loose	1480	1490	-10
	Hathras	Mill Quality Loose	1480	NR	-

	Aligarh	Mill Quality Loose	1465	1480	-15
Punjab	Khanna	Mill Quality Loose	1480	1480	Unch
	(Ludhiana)Jagraon	Mill Delivery	1560	1560	Unch
Haryana	Sirsa	Mill Delivery loose	1470	1485	-15
	Hodal	Mill Delivery	NA	NA	-
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	1540	1530	10
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1800	1775	25
	Madurai	Mill Quality	1857	1832	25
	Coimbatore	Mill Quality	1857	1832	25
Bihar	Sitamari	Mill Delivery	NA	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			20-Oct-14	18-Oct-14	
	Lawrence Road	Mill Delivery	6000	6000	Unch
	Narella	Mill Quality Loose	300	400	-100
	Nazafgarh	Mill Quality Loose	200	250	-50
Gujarat	Rajkot	Mill Quality Loose	1400	800	600
	Ahmedabad	Mill Delivery	1625	NA	-
M.P.	Bhopal	Lokwan	1560	4000	-2440
	Indore	Mill Quality Loose	1000	2000	-1000
Rajasthan	Kota	Mill Quality	5000	8000	-3000
U.P.	Kanpur	Mill Quality Loose	700	600	100
	Mathura	Mill Quality Loose	50	200	-150
	Kosi	Mill Quality Loose	150	150	Unch
	Hathras	Mill Quality Loose	200	NR	-
	Aligarh	Mill Quality Loose	500	250	250
Punjab	Khanna	Mill Quality Loose	1000	500	500
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	300	200	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			20-Oct-14	18-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)	703	703	Unch
Chokar (34 kg)	445	445	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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