

Wheat Domestic Fundamentals:

- **As projected earlier by Agriwatch the Government** has increased the minimum support price of wheat by a nominal Rs 50 to Rs 1,450 a quintal this year. The rabi crops of this year will be marketed in 2015-16 starting April.
- **A price of wheat in major mundis remains steady to weak today.** In the coming future, prices are going to be in the range bound as there is plenty of stock in the market to fulfill the demand side. 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).
- **According to IBIS, export of wheat in the last week of October was around 32 Thousand Mt.** The major export destination of Indian wheat was Algeria from kandla port which accounted 31.50 thousand MT at an average FOB price of \$359.21/Tn .Other countries were U.A.E, Malaysia and Philippines.
- **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.
- **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.

International Market Update:

- **The International Grains Council raised its forecast for global wheat production** in 2014/15 to 718 million tonnes, up from a previous forecast of 717 million. Better production in CIS countries, the European Union and China is the main reason for increase in production estimate.
- **Unfavorable weather in key wheat-growing regions in Australia** could cause output to fall more than 5 percent from the country's official estimate for 2014/15. Lower wheat production in Australia would support global prices, which have firmed in recent weeks due to concern over the condition of the U.S. winter crop, which is behind schedule after wet weather.
- **Bangladesh to buy 250000 of wheat at \$297.50 a tonne c&f** in a government-to-government deal with Ukraine. The Bangladesh state grains purchasing agency plans to import a total of 900,000 tonnes of wheat in the financial year that started in July.
- **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.

Domestic market Outlook:

Wheat cash market is likely to trade steady to slightly weak.

NCDEX Wheat Futures								Date:03:11:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Nov-14	-9	1577	1578	1572	1572	510	-190	8,120	200
Dec-14	-11	1619	1626	1612	1612	380	310	3,910	10
Jan-15	0	1630	1630	1630	1630	0	-10	270	0

Spread	Oct-14	Nov-14	Dec-14	
Spot				
Nov-14	43			
Dec-14		40		
Jan-15			18	

Stocks	Demat	In- Process	Total	FED
	01.11.2014	01.11.2014	01.11.2014	27.10.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	6316	0	6316	6795
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 30.10.14 (USD/T)							
CONTRACT MONTH	30 Oct 14	Week ago (23 Oct 2014)	1 Month ago(30 Sept 14)	3 Month ago(30 July 14)	6 Month ago(30 Apr 14)	1 Year ago(30 Oct 13)	% Change over previous year
14-Dec	196.93	193.53	212.27	201.89	272.89	258.56	-23.84
15-Mar	201.70	198.49	180.21	210.43	277.30	260.49	-22.57
15-May	204.64	201.34	183.24	215.57	278.95	260.67	-21.49
15-Jul	207.49	204.00	185.35	219.52	273.99	258.47	-19.72
15-Sep	211.35	207.49	189.39	223.93	274.91	260.03	-18.72
15-Dec	215.85	212.08	195.36	229.63	277.30	264.34	-18.35

Wheat Daily Prices and Arrivals on 03.11.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			3-Nov-14	01-Nov-14	
Delhi	Lawrence Road	Mill Delivery	1615	1615	Unch
	Narella	Mill Quality Loose	1590	1600	-10
	Nazafgarh	Mill Quality Loose	1550	1540	10
Gujarat	Rajkot	Mill Delivery	1560	Closed	-
	Ahmedabad	Mill Delivery	1650	Closed	-
	Surat	Mill Delivery	1690	Closed	-
M.P.	Bhopal	Lokwan	1630	1625	5
	Indore	Mill Delivery	1605	1605	Unch
Rajasthan	Kota	Mill Quality Loose	1480	1495	-15
		Mill Delivery	1560	1580	-20
U.P.	Kanpur	Mill Delivery	1575	1575	Unch
	Mathura	Mill Quality	NA	NA	-

		Loose			
	Kosi	Mill Quality Loose	1480	1480	Unch
	Hathras	Mill Quality Loose	1525	1515	10
	Aligarh	Mill Quality Loose	1450	1450	Unch
Punjab	Khanna	Mill Quality Loose	1450	1450	Unch
	(Ludhiana)Jagraon	Mill Delivery	1560	1560	Unch
Haryana	Sirsa	Mill Delivery loose	1490	1490	Unch
	Hodal	Mill Delivery	NA	NA	-
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	1500	1550	-50
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1800	1815	-15
	Madurai	Mill Quality	1857	1872	-15
	Coimbatore	Mill Quality	1857	1872	-15
Bihar	Sitamari	Mill Delivery	NA	Closed	-
	Khagariya	Mill Delivery	1650	1650	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality	NA	NA	-
	Gandhidham(Rajasthan-Kota)	Mill Quality	NA	NA	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			3-Nov-14	1-Nov-14	
Delhi	Lawrence Road	Mill Delivery	4000	6000	-2000
	Narella	Mill Quality Loose	500	400	100
	Nazafgarh	Mill Quality Loose	150	100	50
Gujarat	Rajkot	Mill Quality Loose	1900	Closed	-
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	5000	2000	3000
Rajasthan	Kota	Mill Quality	8000	3000	5000
U.P.	Kanpur	Mill Quality Loose	600	600	Unch
	Mathura	Mill Quality Loose	NA	NA	-

	Kosi	Mill Quality Loose	150	100	50
	Hathras	Mill Quality Loose	100	85	15
	Aligarh	Mill Quality Loose	400	500	-100
Punjab	Khanna	Mill Quality Loose	500	500	Unch
	(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	NA	200	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	3-Nov-14	1-Nov-14	Change
Atta (50kg) Ordinary	985	985	Unch
Maida Grade 1 (90kg)	2202	2202	Unch
Maida Grade 1 (50KG)	1205	1205	Unch
Suji (50kg)	1205	1205	Unch
Chokar (50 kg)	733	723	10
Chokar (34 kg)	493	484	9
Chakki Atta (50kg)	1015	1015	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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