

Wheat Domestic Fundamentals:

- **With favorable weather wheat sowing commenced in states like MP and Gujarat** last week and it is expected to begin in Punjab, Haryana and Rajasthan by the second week of November. Farmers in MP and Gujarat have covered almost 5 and 10 percent area so far. Wheat planting is almost delayed by a couple of week in Punjab Haryana and UP this year due to late harvesting of paddy. Despite late paddy harvesting area under wheat is unlikely to decrease this year.
- **According to IBIS, Wheat exports from India slightly increased from 0.52 to 0.59 Lakh tonne in October.** Average Fob quote decreased from \$278.84 in September to \$276.86 per tonne in October. However, during the review period CBOT average quote increased from \$204.33 to \$222.94 per tonne. Export from India is bound to dip due to current disparity. US and Black Sea Region crops are cheaper and it would continue to hamper Indian export opportunity in the months ahead.
- **South Indian traders and flour miller had purchased 12,000 tonnes of premium white wheat from Australia** at \$310-315/tonne. They had purchased APW wheat which has a protein content of about 12 percent as the prices and transportation cost are lower than the domestic prices and logistics to reach wheat to south India.
- **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 disparity. India Fob at Kandla port is around \$273-278/Tn as compare to Australia (\$264-267), U.S. (\$250-255) and Russia (\$230-235).
- **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.

International Market Update:

- **Argentina's wheat is first hit by frost and now by strong rainfall** which could cause an outbreak of disease in the crop. The crop is in an advanced stage of growth and these adverse conditions can effect in the final yield.
- **Egypt had purchased 60,000 tonnes of wheat from France at \$260/tonne CiF** which has to be delivered between 1-10 December. Till now from July 1st, Egypt has bought 1.955 million tonnes of wheat from the international market, in 2013-14 Egypt had purchased 5.46 million tonnes of wheat from abroad in addition to 3.7 million tonnes of local wheat.
- **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.

Domestic market Outlook:

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

NCDEX Wheat Futures								Date:07:11:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Nov-14	3	1567	1579	1561	1575	1,210	-150	7,430	-550
Dec-14	-7	1598	1607	1595	1604	1,520	770	4,350	310
Jan-15	-22	1600	1614	1600	1608	120	120	360	90

Spread	Oct-14	Nov-14	Dec-14	
Spot				
Nov-14	45			
Dec-14		29		
Jan-15			4	

Stocks	Demat	In- Process	Total	FED
	06.11.2014	06.11.2014	06.11.2014	4.11.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	6316	0	6316	6316
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 06.11.14 (USD/T)							
CONTRACT MONTH	06 Nov 14	Week ago (31 Oct 2014)	1 Month ago(06 Oct 14)	3 Month ago(04 Aug 14)	6 Month ago(06 May 14)	1 Year ago(06 Nov 13)	% Change over previous year
14-Dec	191.14	195.64	180.58	215.57	279.59	252.95	-24.44
15-Mar	195.46	200.51	184.99	222.46	283.63	254.98	-23.34
15-May	198.21	203.26	188.20	226.96	285.19	254.88	-22.23
15-Jul	200.60	205.84	191.32	229.26	278.49	252.86	-20.67
15-Sep	204.09	209.60	195.92	232.93	279.22	254.42	-19.78
15-Dec	209.05	214.19	201.61	237.80	281.70	259.57	-19.46

Wheat Daily Prices and Arrivals on 07.11.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			11/7/2014	11/6/2014	
New Delhi					
	Lawrence Road	Mill Delivery	1620	Closed	-
	Narella	Mill Quality(Loose)	1590	Closed	-
	Nazafgarh	Mill Quality(Loose)	1550	Closed	-
Gujarat	Rajkot	Mill Delivery	1690	1600	90
	Ahmedabad	Mill Delivery	1710	1690	20
	Surat	Mill Delivery	1710	1710	Unch
Madhya Pradesh	Bhopal	Lokwan	1625	Closed	-
	Indore	Mill Delivery	1605	1605	Unch
Rajasthan	Kota	Mill Quality(Loose)	1485	Closed	-
		Mill Delivery	1580	Closed	-
Uttar Pradesh	Kanpur	Mill Delivery	1570	Closed	-
	Mathura	Mill Quality(Loose)	NA	NA	-
	Kosi	Mill Quality(Loose)	1480	1470	10
	Hathras	Mill Quality(Loose)	1525	1525	Unch

	Aligarh	Mill Quality(Loose)	1450	1450	Unch
Punjab	Khanna	Mill Quality(Loose)	1480	Closed	-
	(Ludhiana)Jagraon	Mill Delivery	1560	Closed	-
Haryana	Sirsa	Mill Quality(Loose)	1490	Closed	-
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality(Loose)	1530	1530	Unch
	Karnal	Mill Quality(Loose)	NA	NA	-
	Panipat	Mill Quality(Loose)	NA	NA	-
Tamil Nadu	Chennai	Mill Quality(Loose)	1815	Closed	-
	Madurai	Mill Quality(Loose)	1872	Closed	-
	Coimbatore	Mill Quality(Loose)	1872	Closed	-
Bihar	Sitamari	Mill Delivery	NA	NA	-
	Khagariya	Mill Delivery	1650	1650	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality(Loose)	NA	Closed	-
	Gandhidham(Rajasthan-Kota)	Mill Quality(Loose)	NA	Closed	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
New Delhi			11/7/2014	11/6/2014	
	Lawrence Road	Mill Delivery	4000	Closed	-
	Narella	Mill Quality(Loose)	400	Closed	-
	Nazafgarh	Mill Quality(Loose)	50	Closed	-
Gujarat	Rajkot	Mill Quality(Loose)	1400	1200	200
	Ahmedabad	Mill Delivery	NA	NA	-
Madhya Pradesh	Bhopal	Mill Quality(Loose)	900	Closed	-
	Indore	Mill Quality(Loose)	2000	2000	Unch
Rajasthan	Kota	Mill Quality(Loose)	4000	Closed	-
Uttar Pradesh	Kanpur	Mill Quality(Loose)	600	Closed	-
	Mathura	Mill Quality(Loose)	NA	NA	-
	Kosi	Mill Quality(Loose)	100	100	Unch
	Hathras	Mill Quality(Loose)	250	150	100
	Aligarh	Mill Quality(Loose)	250	250	Unch
Punjab	Khanna	Mill Quality(Loose)	800	Closed	-
	(Ludhiana)Jagraon	Mill Quality(Loose)	NA	Closed	-
Haryana	Sirsa	Mill Quality(Loose)	200	Closed	-
	Hodal	Mill Quality(Loose)	NA	NA	-
	Karnal	Mill Quality(Loose)	NA	NA	-
	Bhiwani	Mill Quality(Loose)	400	400	Unch
	Panipat	Mill Quality(Loose)	NA	NA	-



Wheat Products Delhi	11/7/2014	11/6/2014	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	733	Unch
Chokar (34 kg)	493	493	Unch
Chakki Atta (50kg)	1040	1040	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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