

Wheat Domestic Fundamentals:

Wheat cash market is likely to trade firm in the weeks ahead as declining arrivals have started hinting of lower than expected output this year. Private trades opine that wheat production is lower by two million tonne from govt.'s 3rd adv. estimate of 90.78 million tonne. This means actual production is around 87-88 million tonne this year. It may encourage prices from next month once again. Inner tone remains firm.

Rake loading from Kota region of Rajasthan for Bangalore is continued at Rs 1770 per qtl. it includes Rs 225 per qtl. freight and other expenses for milling quality. Luster loss wheat for the same destination is being loaded at Rs 1700 per qtl. Procurement agencies in Rajasthan would not be able to get higher quantity as private trade is paying higher price than MSP.

Wheat is being traded at Rs 1470 per qtl. in Bulundshahar, UP and is being delivered to Delhi at Rs 1620 per qtl. Arrivals in this market have come down to 800 qtl. More decline is expected from June. Stockists in these areas have not stored out bigger quantity due to quality issue. So govt.'s release in coming month would decide the market trend. Overall, market is bound to trade higher.

Total wheat procurement was registered at 256.26 lakh tonne as on 19.05.2015 against 253.1 lakh tonne till date last year. Punjab has contributed 97.38 lakh tonne so far, followed by Haryana 67.55 lakh tonne. M.P. contribution stands at around 67.78 lakh tonne. Rajasthan has procured only 10.55 lakh tonne.

Punjab procurement contribution has decreased this year so far by 7.49 percent while Haryana contribution has increased by 5.32 percent. M.P. too has contributed 2.98 percent more wheat till date. Wheat procurement in Rajasthan has decreased by 29.29 percent.

Agriculture statistics Division, DES has released Third Adv estimates of Production of foodgrains for 2014-15 on 13.05.2015. It has revised wheat production estimate down by 4.9 MMT to 90.78 MMT. In second Adv Est. production was estimated at 95.76 MMT. The drastic decrease in third Adv. Est. is mainly attributed to inclement weather conditions in March and April. India has produced 95.85 million tonne wheat in 2013-14.

According to IBIS, export of Indian wheat from 11th to 17th May, 2015 was registered at around 4589.87 MT at an average FoB price of \$259.37/tonne, basis Kandla. The major export destination of Indian wheat were Taiwan, UAE and Jordan from Pipavav/Kandla port.

International Market Update:

The USDA has estimated its initial global wheat ending stock for 2015-16 at 203.32 million tonne, up by 2.35 million tonne estimated for 2014-15 crop. It is higher than pre trade estimate of 194.2 million tonne.

Global wheat production for 2015-16 has been projected at 718.93 million tonne. However it is lower than the estimate of 726.45 million tonne estimated for 2014-15. If the forecast materializes, it would be the second highest record of global wheat production.

Japan has invited tender to buy a total of 116,905 tonnes of food quality wheat from the U.S, Canada and Australia in a regular tender. Japan keeps a tight grip on imports of the country's second most important staple after rice and buys the majority of the grain for milling via tender. It may buy Semi white and hard red varieties from US and Standard white from Australia, Red Spring from Canada, having minimum protein content of 12.5 percent.

Domestic market Outlook: Wheat cash market is likely to trade steady to slightly firm.

Wheat Futures Contact: NCDEX Price Date: 21.05.2015					
Contract Month	Today (21.05.15)	Yesterday 20.05.2015	Week Ago 15.5.15)	Month Ago (21.04.15)	Ch % from month ago
15-Jun	1496	1495	1499	1477	1.27
15-Jul	1524	1523	1528	1512	0.79
15-Aug	1562	1556	1561	1547	0.96

Spread	May-15	June-15	July-15	
Spot Delhi				
May-15	-26			
June-15		29		
July-15			33	

Stocks	Demat	In- Process	Total	FED
	20-May-15	20-May-15	20-May-15	18-May-15
Delhi				
Itarsi				
Kanpur				
Kota	31801	1271	33072	29130
Rajkot				

Wheat (CBOT) Future Price: 20.5.2015					
Contract Month	Open	High	Low	Close	Change
15-Jul	539.50	550.00	533.00	545.00	5.0
15-Sep	550.50	560.25	543.50	555.00	4.5
15-Dec	567.50	575.75	559.75	570.25	3.0
16-Mar	578.50	584.25	572.25	582.25	2.5
16-May	584.75	590.00	584.75	590.00	2.0
16-Jul	589.00	599.00	588.00	594.25	2.3

Wheat Daily Prices and Arrivals on 21.5.2015

Centre	Market	Variety	Prices (Rs/Qtl)		Change
Delhi			21-May-15	20-May-15	
	Lawrence Road	Mill Delivery	1525	1525	Unch
	Narella	Mill Quality Loose	1465	Closed	-
	Nazafgarh	Mill Quality Loose	1450	Closed	-
Gujarat	Rajkot	Mill Delivery	1400	1400	Unch
	Ahmedabad	Mill Delivery	1485	1480	5
	Dhrol	Mill Delivery	NA	1675	-
	Surat	Mill Delivery	1500	1500	Unch
M.P.	Bhopal	Lokwan	1600	1625	-25
	Indore	Mill Delivery	1510	1475	35
Rajasthan	Kota	Mill Quality Loose	1380	1380	Unch
		Mill Delivery	1455	1455	Unch
U.P.	Kanpur	Mill Delivery	1550	1540	10
	Mathura	Mill Quality Loose	1320	1340	-20
	Kosi	Mill Quality Loose	1325	1325	Unch
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	NA	NA	-
Punjab	Khanna	Mill Quality Loose	1450	1450	Unch
	(Ludhiana)Jagraon	Mill Delivery	1500	1500	Unch

Haryana	Sirsa	Mill Delivery loose	1460	1460	Unch
	Hodal	Mill Delivery	1490	1490	Unch
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1470	1450	20
	Panipat	Mill Quality Loose	1450	1450	Unch
Tamil Nadu	Chennai	Mill Quality	1700	1700	Unch
	Madurai	Mill Quality	1757	1757	Unch
	Coimbatore	Mill Quality	1757	1757	Unch
Bihar	Sitamari	Mill Delivery	NA	NA	-
	Khagariya	Mill Delivery	1380	1380	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality	NR	NR	-
	Gandhidham(Rajasthan-Kota)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
Gujarat			21-May-15	20-May-15	
	Rajkot	Lokwan		1700	-1700
	Dhrol	Lokwan		1675	-1675
M.P.	Indore	Lokwan		1800	-1800
	Bhopal	Lokwan		1625	-1625
	Bina	Sarbati 306		Closed	-
Rajasthan	Kota	Lokwan Bilty		1600	-1600
	Baran	Lokwan		1550	-1550

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			21-May-15	20-May-15	
	Lawrence Road	Mill Delivery	8000	12000	-4000
	Narella	Mill Quality Loose	1500	Closed	-
	Nazafgarh	Mill Quality Loose	500	Closed	-
Gujarat	Rajkot	Mill Quality Loose	2500	2000	500
	Ahmedabad	Mill Delivery	NA	NA	-
	Dhrol	Mill Delivery	NA	60	-
M.P.	Indore	Mill Quality Loose	3000	2000	1000
Rajasthan	Kota	Mill Quality	40000	25000	15000
U.P.	Kanpur	Mill Quality Loose	400	500	-100
	Mathura	Mill Quality Loose	6000	3000	3000
	Kosi	Mill Quality Loose	3000	5000	-2000
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	NA	NA	-
Punjab	Khanna	Mill Quality Loose	1000	2000	-1000
	(Ludhiana)Jagraon	Mill Quality Loose	2000	2000	Unch

Haryana	Sirsa	Mill Quality Loose	500	500	Unch
	Hodal	Mill Quality Loose	500	1000	-500
	Karnal	Mill Delivery	4000	4000	Unch
	Bhiwani	Mill Quality Loose	3000	3000	Unch
	Panipat	Mill Quality Loose	2000	2000	Unch

Wheat Products Delhi	21-May-15	20-May-15	Change
Atta (50kg) Ordinary	940	940	Unch
Maida Grade 1 (90kg)	2202	2202	Unch
Maida Grade 1 (50KG)	1205	1205	Unch
Suji (50kg)	1230	1230	Unch
Chokar (50 kg)	743	743	Unch
Chokar (34 kg)	499	499	Unch
Chakki Atta (50kg)	1015	1015	Unch
Chakki Atta (50kg) Special	NA	NA	-
Chakki Atta (90kg) Superfine	1861	1861	Unch
Chakki Atta (50kg) Superfine	NA	NA	-

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