AGRIWATCH

Wheat Daily Report

21st January 2013

Wheat Domestic Fundamentals:

- **Despite news of yellow and brown rust from some** pockets of Punjab and Haryana wheat production prospects are very good so far. We expect total production to cross last year's level of 93.9 million T. Stock in govt''s godowns may exceed last year's level if almost 10 million T stock from govt''s godowns is not offloaded in the international market in the marketing year starting from April 2012.
- **Recent wide spread rains in major wheat growing areas** have brightens the production prospect. Lower temperature at this point of time is beneficial to the entire growth of the plant. Lower area coverage in Rajasthan, Gujarat and Maharashtra is expected to be covered by higher area coverage in Madhya Pradesh, U.P., and Bihar. Late variety is still being sown in U.P. and Bihar.
- **At export front, demand for Indian wheat has not been** up to the mark in two-three weeks as fluctuation in global wheat market continues. However, upward recovery is expected in the short term as global production prospects may be revised down on rough weather. Latest quote for Indian wheat through PSU tender registered at $309 per T.It may go up in next tender in the range of $310 to 4315 per T.
- **According to PIB (Press Information Bureau), wheat has been so far sown in 294.98** lakh hectares as compared to last year's 295.93 lakh hectares at the same time. In Maharashtra wheat has been sown in 4, 49, 966 hectares so far, which is 46.5 % of the Normal area.
- Traders and Farmers revealed that sowing is almost complete in Kanpur region and Crop production is estimated to be lesser than last year as farmers have shifted to "Lai" (Rapeseed).
- **Prices in domestic market are likely to be directed by** global price, govt.'s policy for release and price mechanism in domestic market and incoming crop prospects. February and March month will remain crucial for wheat crop as usual. Demand and supply side is balanced right now.

International Market Update:

- **IGC estimates that total harvested area is expected to** increase by 2.1% in 2013-14, the highest since 1998. Winter wheat condition is good in Europe but drought is still persistent in US HRW (Hard Red Winter) growing areas. World production estimate for 2012-13 has been increased from previous estimate of 654 million tonnes to 656 million tonnes as production is expected to improve in Australia, Canada, china and EU.
- **IGC has estimated that world wheat trade will be 137** million tonnes as compared to previous estimate of 134 million tonnes in 2012-13 as Australia, Canada and India are expected to export more. No change is reported in Consumption; however carryover stocks have been increased by a million to 174 million tonnes. This might pressurize market.

Domestic market Outlook: We expect wheat Cash and future market to trade steady to weak.

NCDEX Wheat Futures									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Jan-13	0	1,570	1,570	1,540	1,570	100	-1,030	280	-330
Feb-13	20	1,501	1,519	1,490	1,516	6,400	4,010	8,570	-620
Mar-13	23	1,440	1,463	1,440	1,459	1,300	900	4,230	450
Apr-13	10	1,404	1,410	1,398	1,403	530	430	4,930	300

AGRIWATCH

Wheat Daily Report

21st January 2013

Spread	Jan-13	Feb-13	Mar-13	Arp-13
Spot	0			
Jan-13		-54		
Feb-13			-57	
Mar-13				-56

Stocks	Demat	In- Process	Total	FED
	17/01/2013	17/01/2013	17/01/2013	14/01/2013
Delhi	-	-	-	-
Itarsi	239	159	398	-
Kanpur	-	-	-	-
Kota	3788	0	3788	3788

CBOT Wheat Futures: Date: 17.01.2013

Contract	Open	High	Low	Close	+/-
Dec-12	786	789.5	776	781.25	-4.00
Mar-13	795.5	797.75	785	789.75	-4.00
May-13	797.25	801	789.5	795.25	-2.00
Jul-13	809	809	799.5	804.25	-1.00
Sep-13	818.5	820.75	812	817.25	-1.00

Wheat Daily prices and Arrival On 19.01.2013

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			1/19/2013	1/18/2013	
Delhi	Lawrence Road	Mill Delivery	1570	1565	5
	Nazafgarh	Mill Quality Loose	-	1550	-
	Narella	Mill Quality Loose	-	-	-
Gujarat	Rajkot	Mill Delivery	1630	1620	10
	Ahmedabad	Mill Delivery	1695	1700	-5
	Surat	Mill Delivery	1725	1725	Unch
M.P.	Bhopal	Lokwan	1600	1600	Unch
	Indore	Mill Delivery	1600	1590	10
Rajasthan	Kota	Mill Delivery	1600	1625	-25
U.P.	Kanpur	Mill Delivery	1555	1550	5
	Mathura	Mill Quality Loose	1500	1480	20
	Kosi	Mill Delivery	-	-	-
Punjab	Khanna	Mill Quality Loose	1475	-	-
	(Ludhiana)Jagraon	Mill Delivery	1560	1560	Unch
Haryana	Sirsa	Mill Delivery loose	-	1515	-
	Hodal	Mill Delivery	-	1560	-
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Quality	-	-	-
Tamil Nadu	Chennai	Mill Quality	1950	1850	100
	Madurai	Mill Quality	2000	1900	100

	Coimbatore	Mill Quality	2000	1900	100
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1710	1675	35
	Gandhidham(Rajasthan-Kota)	Mill Quality	1710	1675	35

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			1/19/2013	1/18/2013	
Delhi	Lawrence Road	Mill Delivery	1200	1500	-300
	Nazafgarh	Mill Quality Loose	-	50	-
	Narella	Mill Quality Loose	-	-	-
Gujarat	Rajkot	Mill Delivery	-	-	-
	Ahmadabad	Mill Delivery	-	-	-
M.P.	Bhopal	Lokwan	-	-	-
	Indore	Mill Delivery	-	-	-
Rajasthan	Kota	Mill Quality	2000	5000	-3000
U.P.	Kanpur	Mill Delivery	600	400	200
Punjab	Khanna	Mill Quality Loose	100	-	-
Haryana	Sirsa	Mill Quality Loose	-	150	-
	Hodal	Mill Delivery loose	-	50	-
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Delivery Loose	-	-	-

Wheat Products Delhi	1/19/2013	1/18/2013	Change
Atta (50kg) Ordinary	915	915	Unch
Maida Grade 1 (90kg)	1887	1887	Unch
Maida Grade 1 (50KG)	1030	1030	Unch
Suji (50kg)	1105	1105	Unch
Chokar (50 kg)	670	670	Unch
Chokar (34 kg)	474	474	Unch
Chakki Atta (50kg)	935	935	Unch
Chakki Atta (50kg) Special	935	935	Unch
Chakki Atta (90kg) Superfine	1740	1740	Unch
Chakki Atta (50kg) Superfine	940	940	Unch