

Wheat Domestic Fundamentals:

- Today a spurt in demand was witnessed at Hodal mandi as Local Chakki owners bought rigorously.
- 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 government godowns may exceed last year's level if almost 10 million T stock from government 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).

International Market Update:

- Algeria imported 6.2 million tonnes of wheat in 2012 as compared to 7.4 million tonnes, however it is expected that in 2013 wheat exports are expected to be high due to poor weather condition in last quarter of 2012. The total value of imports is USD 2.1 billion in 2012, versus \$2.8 billion in 2011.
- Russia has exported 9.95 million tonnes of wheat till Mid-January. Wheat exports from Black Sea terminals are low and from Azov Sea terminal is also exporting minimal quantities. Current 14.5% wheat protein prices are estimated at USD 345/Tonne, FOB Azov Sea terminal.
- 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.

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
Feb-13	19	1,519	1,537	1,519	1,534	5,720	2,460	7,380	-710
Mar-13	6	1,455	1,466	1,444	1,454	1,410	330	4,510	90
Apr-13	3	1,396	1,406	1,393	1,401	1,480	1,350	5,400	450
May-13	5	1,399	1,410	1,398	1,403	900	820	720	420

Spread	Feb-13	Mar-13	Apr-13	May-13
Spot	31			
Feb-13		-80		
Mar-13			-53	
Apr-13				2

Stocks	Demat	In- Process	Total	FED
	19/01/2013	19/01/2013	19/01/2013	14/01/2013
Delhi	-	-	-	-
Itarsi	508	0	508	-
Kanpur	-	-	-	-
Kota	3788	0	3788	3788

CBOT Wheat Futures: Date: 19.01.2013

Contract	Open	High	Low	Close	+/-
Mar-13	-	-	-	-	-
May-13	-	-	-	-	-
Jul-13	-	-	-	-	-
Sep-13	-	-	-	-	-
Dec-13	-	-	-	-	-

Wheat Daily prices and Arrival On 21.01.2013

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			1/21/2013	1/19/2013	
Delhi					
	Lawrence Road	Mill Delivery	1565	1570	-5
	Nazafgarh	Mill Quality Loose	1550	1550	Unch
	Narella	Mill Quality Loose	1535	1520	15
Gujarat	Rajkot	Mill Delivery	1630	1640	-10
	Ahmedabad	Mill Delivery	1730	1715	15
	Surat	Mill Delivery	1740	1740	Unch
M.P.	Bhopal	Lokwan	1625	1600	25
	Indore	Mill Delivery	1600	1590	10
Rajasthan	Kota	Mill Delivery	1610	1600	10
U.P.	Kanpur	Mill Delivery	-	1555	-
	Mathura	Mill Quality Loose	-	-	-
	Kosi	Mill Delivery	-	-	-
Punjab	Khanna	Mill Quality Loose	1475	1480	-5
	(Ludhiana)Jagraon	Mill Delivery	1560	1560	Unch
Haryana	Sirsa	Mill Delivery loose	1515	1515	Unch
	Hodal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Quality	-	-	-
Tamil Nadu	Chennai	Mill Quality	1950	1950	Unch
	Madurai	Mill Quality	2000	2000	Unch

	Coimbatore	Mill Quality	2000	2000	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1710	1710	Unch
	Gandhidham(Rajasthan-Kota)	Mill Quality	1710	1710	Unch

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			1/21/2013	1/19/2013	
Delhi					
	Lawrence Road	Mill Delivery	2000	1000	1000
	Nazafgarh	Mill Quality Loose	100	100	Unch
	Narella	Mill Quality Loose	250	300	-50
Gujarat	Rajkot	Mill Delivery	-	-	-
	Ahmadabad	Mill Delivery	-	-	-
M.P.	Bhopal	Lokwan	-	-	-
	Indore	Mill Delivery	-	-	-
Rajasthan	Kota	Mill Quality	4000	2000	2000
U.P.	Kanpur	Mill Delivery	500	600	-100
Punjab	Khanna	Mill Quality Loose	200	200	Unch
Haryana	Sirsa	Mill Quality Loose	200	100	100
	Hodal	Mill Delivery loose		50	-50
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Delivery Loose	-	-	-

Wheat Products Delhi	1/21/2013	1/19/2013	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)	660	670	-10
Chokar (34 kg)	465	474	-9
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

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