

Wheat Domestic Fundamentals:

- Wheat cash market traded steady to weak due to lower export and domestic market demand. Feed millers have shifted to maize due to lower price and better availability in the major producing price, however maize price started firming up and it may support wheat price once again in near term.
- According to traders, latest release for Auction in M.P has been already purchased by South Indian milers and Local traders as parity is in favor of traders/millers from M.P. and other centers like Rajasthan and Gujarat higher prices are restricting common trading activity in local market.
- No major price movement was recorded at key spot market as market seems to consolidate any major dip is likely as fresh buying at lower level will support price.
- Supply pressure from government stock is likely to continue and market is likely to trade steady to low. Millers have already fulfilled their immediate requirement through tenders in various states and it will continue to pressurize market in near term. However fresh enquiry from exporters as well as firm international prices may support cash wheat market at lower level. So any major dip is unlikely.
- Indian wheat can fill the gulf of demand and supply in international market and can help global prices to stabilize. In July government has approved 2 million tonnes of wheat export out of which around 1.83 million tonnes was exported and few days ago government has now allowed 2.5 million tonnes of wheat export. PSU's has got bids at par and over CBOT future price and this trend is expected in days ahead.

International Market Update:

- Indonesia the largest wheat importer in South East Asia has become the first nation to purchase more than 4 million tonnes of wheat in a year. According to analyst Australia has 70% market share in Indonesia.
- Russian Winter wheat crop might be affected by coldest winters in 20 years as it might affect wheat crop which was already affected by dry weather.
- Indonesia has imposed 20% tariff on wheat flour import for next 200 days to protect its domestic flour millers from foreign imports in to Indonesia. Indonesia is the largest South East Asia importer, importing about 6 million tonnes of Wheat every year. Turkey is the largest wheat flour exporter having about 60% market share in wheat flour imports.
- According to the reports Ukraine might 2013 harvest winter crops on the area of 8.1 million hectares. As of now 92% of crop is in good and satisfactory condition. This was facilitated by the weather conditions prevailing in the majority of regions of Ukraine.

Domestic market Outlook: We expect wheat Cash and future market to trade steady to weak due to increased supply under OMSS-D bulk users will restrict uptrend.

| NCDEX Wheat Futures | | | | | | | | | |
|---------------------|-----|-------|-------|-------|-------|--------|--------|--------|--------|
| Contract | +/- | Open | High | Low | Close | Volume | Change | OI | Change |
| Dec-12 | 24 | 1,615 | 1,630 | 1,603 | 1,629 | 1,290 | -4,120 | 6,040 | -580 |
| Jan-13 | 6 | 1,594 | 1,605 | 1,594 | 1,600 | 5,440 | -960 | 13,900 | -600 |
| Feb-13 | 3 | 1,584 | 1,587 | 1,582 | 1,586 | 770 | 100 | 3,670 | -320 |
| Mar-13 | 6 | 1,492 | 1,492 | 1,490 | 1,490 | 70 | 0 | 340 | 30 |

| Spread | Dec-12 | Jan-13 | Feb-13 | Mar-13 |
|--------|--------|--------|--------|--------|
| Spot | -54 | | | |
| Dec-12 | | -29 | | |
| Jan-13 | | | -14 | |
| Feb-13 | | | | -96 |

| Stocks | Demat | In- Process | Total | FED |
|--------|-----------|-------------|-----------|-----------|
| | 5/12/2012 | 5/12/2012 | 5/12/2012 | 3/12/2012 |
| Delhi | - | - | - | - |
| Itarsi | 10 | 0 | 10 | 10 |
| Kanpur | - | - | - | - |
| Kota | 3757 | 0 | 3757 | 3757 |

CBOT Wheat Futures: Date: 06.12.2012

| Contract | Open | High | Low | Close | +/- |
|----------|--------|--------|--------|--------|--------------|
| Dec-12 | 843.00 | 846.00 | 836.75 | 845.25 | +3.00 |
| Mar-13 | 861.00 | 864.00 | 853.00 | 862.00 | +2.00 |
| May-13 | 870.00 | 873.00 | 862.25 | 871.00 | +2.50 |
| Jul-13 | 870.00 | 874.00 | 864.25 | 873.00 | +3.50 |
| Sep-13 | 877.00 | 882.00 | 872.75 | 881.50 | +3.75 |

Wheat Daily prices and Arrival On 07.12.2012

| Centre | Market | Variety | Prices (Rs/Qtl) | | Change |
|-----------|----------------------------|-----------------------------------|-----------------|-----------|-------------|
| | | | 12/7/2012 | 12/6/2012 | |
| Delhi | | | | | |
| | Lawrence Road | Mill Quality | 1575 | 1580 | -5 |
| | Nazafgarh | Mill Delivery Loose | 1550 | 1525 | 25 |
| Gujarat | Narella | Mill Delivery Loose | 1535 | 1535 | Unch |
| | Rajkot | Mill Delivery | 1700 | 1700 | Unch |
| | Ahmedabad | Mill Delivery | 1710 | 1715 | -5 |
| M.P. | Bhopal | Mill Quality Loose (Lokwan Price) | 1700 | 1700 | Unch |
| | Indore | Mill Delievery | 1600 | 1590 | 10 |
| Rajasthan | Kota | Mill Delivery | 1580 | 1580 | Unch |
| U.P. | Kanpur | Mill Delivery | 1550 | 1550 | Unch |
| Punjab | Khanna | Mill Quality Loose | 1450 | 1450 | Unch |
| Haryana | Sirsa | Mill Delivery loose | 1535 | 1530 | 5 |
| | Palwal | Mill Quality Loose | - | - | - |
| | Hodal | Mill Quality loose | 1450 | 1450 | Unch |
| | Panipat | Mill Quality Loose | - | - | - |
| | Karnal | Mill Quality | - | - | - |
| FOR | Kandla(Rajasthan-Kota) | Mill Quality | 1700 | 1700 | Unch |
| | Gandhidham(Rajasthan-Kota) | Mill Quality | 1700 | 1700 | Unch |

| Centre | Market | Variety | Arrivals (Bags/Qtl) | | Change |
|-----------|---------------|-----------------------------------|---------------------|-----------|--------|
| | | | 12/7/2012 | 12/6/2012 | |
| Delhi | | | | | |
| | Lawrence Road | Mill Quality | 3000 | 2500 | 500 |
| | Nazafgarh | Mill Delivery Loose | 100 | 200 | -100 |
| | Narella | Mill Delivery Loose | 200 | 200 | Unch |
| Gujarat | Rajkot | Mill Delivery | - | - | - |
| | Ahmadabad | Mill Delivery | - | - | - |
| M.P. | Bhopal | Mill Quality Loose (Lokwan Price) | - | - | - |
| | Indore | Mill Delivery | - | - | - |
| Rajasthan | Kota | Mill Quality | 5000 | 4000 | 1000 |
| U.P. | Kanpur | Mill Delivery | 600 | 500 | 100 |
| Punjab | Khanna | Mill Quality Loose | 500 | 500 | Unch |
| Haryana | Sirsa | Mill Quality Loose | 300 | 200 | 100 |
| | Palwal | Mill Quality Loose | - | - | - |
| | Hodal | Mill Delivery loose | 20 | 10 | 10 |
| | Panipat | Mill Quality Loose | - | - | - |
| | Karnal | Mill Delivery Loose | - | - | - |

| Wheat Products Delhi | 12/7/2012 | 12/6/2012 | Change |
|------------------------------|-----------|-----------|--------|
| Atta (50kg) Ordinary | 885 | 885 | Unch |
| Maida Grade 1 (90kg) | 1878 | 1878 | Unch |
| Maida Grade 1 (50KG) | 1025 | 1025 | Unch |
| Suji (50kg) | 1100 | 1100 | Unch |
| Chokar (50 kg) | 653 | 658 | -5 |
| Chokar (34 kg) | 461 | 464 | -3 |
| Chakki Atta (50kg) | 905 | 905 | Unch |
| Chakki Atta (50kg) Special | 910 | 910 | Unch |
| Chakki Atta (90kg) Superfine | 1700 | 1700 | Unch |
| Chakki Atta (50kg) Superfine | 930 | 930 | Unch |

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