

Wheat Domestic Fundamentals:

- PEC has got the highest Bid of USD 321/T from Dubai based Midgulf Company for its wheat tender.
- Wheat cash market traded slightly lower on expectation of higher supply in the weeks ahead. Government may offer discount for wheat through open market sale scheme. Market expects a discount of Rs 100 per qtl. Government too is in urgency of offloading higher stock from central pool as new crop is hardly 3 months away from now.
- On bearish outlook, supported by bumper crop prospects future market too has seen a steep decline in last two days. Medium and bulk buyers are in wait and watch mood and are buying to 80 fulfill their immediate requirements. Even exporters demand has decreased as global wheat prices are cooling down continuously.
- The coverage area under wheat has crossed last year's level(286.38 against 281.80 lakh ha.) till date(04.01.2013) and major increase has been seen in Uttar Pradesh(4 lakh ha.) M.P.(2.5 lakh ha.),Rajasthan(2.00 lakh ha.) and Bihar(2.00 ha.). Sowing in Bihar and Uttar Pradesh still continues and total area is likely to cross last year's level of 294 lakh ha. Lower area coverage in Gujarat and Maharashtra is likely to be compensated by higher area coverage in U.P. and M.P.

International Market Update:

- Pakistani Seatrade Group will start shipping 100,000 tonnes of wheat to Iran by the end of this month. According to traders the price is around USD 300/T for this 100,000 tonnes. Pakistan will be buying Iron Ore and Fertilizer in return from Iran.
- Global wheat market continued to rule under pressure on declined export volume from US and buyers have been able to source wheat at lower price from other source than US. Continuous holidays in international market too kept buyers at bay. However, we expect fresh buying interest at lower level and market might recover in the medium term as weather issue in US, Black Sea Region continues to haunt wheat farmers abroad. Short term outlook is bearish.
- IGC may revise wheat production estimate down further and global wheat consumption for feed grade wheat is expected to increase with recent dip in wheat prices. However, lower price in India and Australia continue to pose a challenge to US feed grade wheat even in the next marketing season. Next IGC report is due and the picture will be clearer further with its release.

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
Jan-13	-4	1,515	1,544	1,515	1,527	1,920	-1,480	3,170	-1,530
Feb-13	-15	1,523	1,529	1,509	1,514	7,360	2,260	9,530	1,150
Mar-13	-11	1,458	1,458	1,443	1,445	470	-270	2,220	160
Apr-13	1	1,395	1,409	1,386	1,397	1,860	1,200	4,070	1,150

Spread	Jan-13	Feb-13	Mar-13	Apr-13
Spot	53			
Jan-13		-13		
Feb-13			-69	
Mar-13				-48

Stocks	Demat	In- Process	Total	FED
	05/01/2013	05/01/2013	05/01/2013	31/12/2012
Delhi	-	-	-	-
Itarsi	-	-	-	10
Kanpur	-	-	-	-
Kota	3788	0	3788	3788

CBOT Wheat Futures: Date: 05.01.2013

Contract	Open	High	Low	Close	+/-
Dec-12	-	-	-	-	-
Mar-13	-	-	-	-	-
May-13	-	-	-	-	-
Jul-13	-	-	-	-	-
Sep-13	-	-	-	-	-

Wheat Daily prices and Arrival On 07.01.2013

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			1/7/2013	1/5/2013	
Delhi	Lawrence Road	Mill Quality	1570	1580	-10
	Nazafgarh	Mill Delivery Loose	1550	1550	Unch
	Narella	Mill Delivery Loose	1535	1535	Unch
Gujarat	Rajkot	Mill Delivery	1670	1680	-10
	Ahmedabad	Mill Delivery	1700	1700	Unch
M.P.	Bhopal	Mill Quality Loose (Lokwan Price)	1575	1600	-25
	Indore	Mill Delievery	1590	1600	-10
Rajasthan	Kota	Mill Delivery	1620	1620	Unch
U.P.	Kanpur	Mill Delivery	1545	1545	Unch
Punjab	Khanna	Mill Quality Loose	1475	1475	Unch
Haryana	Sirsa	Mill Delivery loose	1530	1535	-5
	Palwal	Mill Quality Loose	-	-	-
	Hodal	Mill Quality loose	1490	1470	20
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Quality	-	-	-
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1725	1725	Unch
	Gandhidham(Rajasthan-Kota)	Mill Quality	1725	1725	Unch

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			1/7/2013	1/5/2013	
Delhi	Lawrence Road	Mill Quality	2500	1000	1500
	Nazafgarh	Mill Delivery Loose	50	50	Unch
	Narella	Mill Delivery Loose	60	60	Unch
Gujarat	Rajkot	Mill Delivery	-	-	-
	Ahmadabad	Mill Delivery	-	-	-
M.P.	Bhopal	Mill Quality Loose (Lokwan Price)	-	-	-
	Indore	Mill Delivery	-	-	-
Rajasthan	Kota	Mill Quality	1500	2500	-1000
U.P.	Kanpur	Mill Delivery	300	250	50
Punjab	Khanna	Mill Quality Loose	500	400	100
Haryana	Sirsa	Mill Quality Loose	200	500	-300
	Palwal	Mill Quality Loose	-	-	-
	Hodal	Mill Delivery loose	100	50	50
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Delivery Loose	-	-	-

Wheat Products Delhi	1/7/2013	1/5/2013	Change
Atta (50kg) Ordinary	910	910	Unch
Maida Grade 1 (90kg)	1878	1878	Unch
Maida Grade 1 (50KG)	1025	1025	Unch
Suji (50kg)	1100	1100	Unch
Chokar (50 kg)	690	695	-5
Chokar (34 kg)	470	473	-3
Chakki Atta (50kg)	930	930	Unch
Chakki Atta (50kg) Special	930	930	Unch
Chakki Atta (90kg) Superfine	1700	1700	Unch
Chakki Atta (50kg) Superfine	935	935	Unch

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