

Wheat Domestic Fundamentals:

- Government has 34.38 million tonnes of wheat stock with it which is almost 3 times of the norm and with sowing for current crop has reached 28.6 million hectares which is higher than last year's 28.1 million hectares at the same time. With weather condition favorable and increased MSP farmers might shift to wheat and wheat's final sown area might be around 29.5 million hectares which will again create storage problem.
- Key Spot market traded steady to weak as traders anticipate that government may reduce Rs 100/Q on wheat release price hence market participants are in wait and watch mode.
- 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.

International Market Update:

- China has started sourcing high quality wheat from US and Canada as domestic prices has been rising. Chinese wheat crop will be harvested in May and till then China has to import wheat. China has started buying wheat as wheat prices have fallen internationally due to slack buying this might support market lower level.
- Ukraine Agriculture Minister said that Ukraine will be harvesting higher crop in 2013 around 19 million tonnes as compared to 2012 15.5 million tonnes due to severe drought conditions.
- As per the report of USDA the winter wheat sowing area has increased by 3.3% over last year and is highest in last four year despite of drought conditions as domestic prices has been due to lower crop in year 2012.
- 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.

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	7	1,574	1,574	1,525	1,535	1,610	1,500	1,950	-1,150
Feb-13	-8	1,500	1,507	1,494	1,495	3,290	-1,460	9,680	600
Mar-13	1	1,427	1,452	1,427	1,439	750	-50	2,510	80
Apr-13	-4	1,401	1,405	1,395	1,396	370	-470	4,640	0

Spread	Jan-13	Feb-13	Mar-13	Apr-13
Spot	35			
Jan-13		-40		
Feb-13			-56	
Mar-13				-43

Stocks	Demat	In- Process	Total	FED
	07/01/2013	07/01/2013	07/01/2013	07/01/2013
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	3788	0	3788	3788

CBOT Wheat Futures: Date: 08.01.2013

Contract	Open	High	Low	Close	+/-
Dec-12	751.00	759.00	749.00	750.50	-1.00
Mar-13	761.00	769.00	758.75	760.25	-1.00
May-13	769.00	776.00	765.75	767.25	-0.50
Jul-13	782.00	788.50	777.50	779.00	-2.00
Sep-13	796.00	802.50	791.25	792.75	-2.25

Wheat Daily prices and Arrival On 09.01.2013

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			1/9/2013	1/8/2013	
Delhi	Lawrence Road	Mill Quality	1570	1575	-5
	Nazafgarh	Mill Delivery Loose	-	1550	-
	Narella	Mill Delivery Loose	-	1535	-
Gujarat	Rajkot	Mill Delivery	1650	1650	Unch
	Ahmedabad	Mill Delivery	1700	1700	Unch
M.P.	Bhopal	Mill Quality Loose (Lokwan Price)	1575	1575	Unch
	Indore	Mill Delivery	1590	1600	-10
Rajasthan	Kota	Mill Delivery	1625	1615	10
U.P.	Kanpur	Mill Delivery	1550	1540	10
Punjab	Khanna	Mill Quality Loose	1475	1475	Unch
Haryana	Sirsa	Mill Delivery loose	1530	1530	Unch
	Palwal	Mill Quality Loose	-	-	-
	Hodal	Mill Quality loose	1500	1490	10
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Quality	-	-	-
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1675	1720	-45
	Gandhidham(Rajasthan-Kota)	Mill Quality	1675	1720	-45

Centre	Market	Variety	Arrivals (Bags/QtI)		Change
			1/9/2013	1/8/2013	
Delhi	Lawrence Road	Mill Quality	3000	2000	1000
	Nazafgarh	Mill Delivery Loose	-	50	-
	Narella	Mill Delivery Loose	-	100	-
Gujarat	Rajkot	Mill Delivery	-	-	-
	Ahmadabad	Mill Delivery	-	-	-
M.P.	Bhopal	Mill Quality Loose (Lokwan Price)	-	-	-
	Indore	Mill Delivery	-	-	-
Rajasthan	Kota	Mill Quality	6000	7000	-1000
U.P.	Kanpur	Mill Delivery	200	400	-200
Punjab	Khanna	Mill Quality Loose	200	300	-100
Haryana	Sirsa	Mill Quality Loose	200	100	100
	Palwal	Mill Quality Loose	-	-	-
	Hodal	Mill Delivery loose	50	80	-30
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Delivery Loose	-	-	-

Wheat Products Delhi	1/9/2013	1/8/2013	Change
Atta (50kg) Ordinary	915	915	Unch
Maida Grade 1 (90kg)	1888	1888	Unch
Maida Grade 1 (50KG)	1030	1030	Unch
Suji (50kg)	1105	1105	Unch
Chokar (50 kg)	680	685	-5
Chokar (34 kg)	470	470	Unch
Chakki Atta (50kg)	935	935	Unch
Chakki Atta (50kg) Special	935	935	Unch
Chakki Atta (90kg) Superfine	1726	1726	Unch
Chakki Atta (50kg) Superfine	940	940	Unch

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