

Wheat Domestic Fundamentals:

- Some Flour millers at U.P are sourcing wheat from other states due to steep rise in wheat release price by Rs 170/Q, as it is cheaper to buy wheat from M.P rather than from government. According to Flour millers, some might have to proscribe production temporarily due to higher prices.
- Wheat Spot and Futures have risen as traders and speculators are anticipating firm market due to rise in export demand and increased demand from flour millers.
- Domestic prices are unlikely to dip in near future as Wheat prices at U.P will increase due to tender price raised by Rs 170/Q to Rs 1573/Q. Buyers may turn to Rajasthan for cheaper wheat as compared to U.P and M.P Wheat.
- According to traders, from Indore Machine cleaned wheat is going to Mumbai, Karnataka, Madras and Calcutta in 5, 10 and 30 Kg Bags. Local demand is sluggish and new crop is expected to arrive by 1st week of March.
- Mill Quality wheat is being bought from Bhopal Mandi by traders and millers of Ahmadabad, Hyderabad, Mumbai and other South Indian Cities. From Bhopal Delivered price to Hyderabad is Rs 1800-1870/Q, to Ahmadabad is Rs 1750-1760/Q, to Mumbai Rs 1730-1740/Q and local prices is Rs 1400/Q. Prices are likely to be stable this week. Stocks are available in plenty at Bhopal.

International Market Update:

- US Department of Agriculture data shows that its US wheat exports were 14.5 million tonnes from June 2012 to 15 January 2013 which is 12% less as compared to previous year for the same period. CBOT is expected to fall on lower exports however current crop condition might support prices at lower levels.
- In 2012-13 Pakistan is expected to produce 23.9 million tonnes of Wheat as compared to 2011-12 25 million tonnes and wheat sown area has increased by 2.5% over 2012. The decline is seen majorly due to late sowing of wheat consequently resulting in lower yield.
- Russian wheat output fell to 39 million tonnes in 2012 due to severe drought and after exporting 9.5 million tonnes of wheat, domestic prices has been surging. Russian government is thinking to waive 5% import duty on import of wheat. The key importer of wheat to Russia is Kazakhstan, as imports from this country are exempted of customs duties.
- Wheat sowing in Canada is expected to be in 5-10% more as compares to 9.63 million hectares in 2012. According to Analyst farmers to turn to wheat from less profitable crops like oilseed and Rye. Lower crop in Black Sea region, Australia and US may help Canada to grab a major share in international market and a good crop in Canada too might help in restricting up trend in Global prices.

Domestic market Outlook: We expect wheat Cash and future market to trade steady to slightly firm on strong domestic and international demand.

NCDEX Wheat Futures									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Feb-13	-1	1,557	1,557	1,551	1,557	2,130	-2,010	6,600	140
Mar-13	2	1,477	1,479	1,471	1,479	540	-380	6,470	280
Apr-13	1	1,384	1,387	1,380	1,387	330	-30	7,600	110
May-13	0	1,387	1,390	1,377	1,390	100	-30	3,500	20

Spread	Feb-13	Mar-13	Apr-13	May-13
Spot	33			
Feb-13		-78		
Mar-13			-92	
Apr-13				3

Stocks	Demat	In- Process	Total	FED
	29/01/2013	29/01/2013	29/01/2013	28/01/2013
Delhi	-	-	-	-
Itarsi	508	0	508	508
Kanpur	-	-	-	-
Kota	3788	0	3788	3788

CBOT Wheat Futures: Date: 29.01.2013

Contract	Open	High	Low	Close	+/-
Mar-13	779.25	787.50	776.00	777.00	-2.00
May-13	787.50	793.75	785.00	785.75	-2.00
Jul-13	792.00	798.00	790.25	791.25	-1.25
Sep-13	798.50	805.75	798.50	799.25	-1.75
Dec-13	813.25	819.00	811.75	812.50	-1.75

Wheat Daily prices and Arrival

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			1/30/2013	1/29/2013	
Delhi					
	Lawrence Road	Mill Delivery	1590	1595	-5
	Nazafgarh	Mill Quality Loose	-	1550	-
	Narella	Mill Quality Loose	-	1545	-
Gujarat	Rajkot	Mill Delivery	1700	1690	10
	Ahmedabad	Mill Delivery	1750	1735	15
	Surat	Mill Delivery	1775	1755	20
M.P.	Bhopal	Lokwan	1650	1650	Unch
	Indore	Mill Delivery	1625	1625	Unch
Rajasthan	Kota	Mill Delivery	1625	1610	15
U.P.	Kanpur	Mill Delivery	1560	1565	-5
	Mathura	Mill Quality Loose	1515	1530	-15
	Kosi	Mill Delivery	1700	1700	Unch
Punjab	Khanna	Mill Quality Loose	1505	1500	5
	(Ludhiana)Jagraon	Mill Delivery	1560	1560	Unch
Haryana	Sirsa	Mill Delivery loose	1520	1520	Unch
	Hodal	Mill Delivery	1585	1585	Unch
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Quality	-	-	-
Tamil Nadu	Chennai	Mill Quality	1900	1875	25
	Madurai	Mill Quality	1950	1925	25
	Coimbatore	Mill Quality	1950	1925	25

Chattisgarh	Raipur	Mill Quality	1550	1550	Unch
Bihar	Begusarai	Mill Quality	1445	1435	10
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1675	1700	-25
	Gandhidham(Rajasthan-Kota)	Mill Quality	1675	1700	-25

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			1/30/2013	1/29/2013	
Delhi					
	Lawrence Road	Mill Delivery	1500	2000	-500
	Nazafgarh	Mill Quality Loose	-	100	-
	Narella	Mill Quality Loose	-	100	-
Gujarat	Rajkot	Mill Delivery	-	-	-
	Ahmadabad	Mill Delivery	-	-	-
M.P.	Bhopal	Lokwan	-	-	-
	Indore	Mill Delivery	-	-	-
Rajasthan	Kota	Mill Quality	4000	1500	2500
U.P.	Kanpur	Mill Delivery	600	500	100
Punjab	Khanna	Mill Quality Loose	150	200	-50
Haryana	Sirsa	Mill Quality Loose	200	300	-100
	Hodal	Mill Delivery loose	50	100	-50
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Delivery Loose	-	-	-

Wheat Products Delhi	1/30/2013	1/29/2013	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)	675	675	Unch
Chokar (34 kg)	471	471	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

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php> © 2013 Indian Agribusiness Systems Pvt Ltd.