

Wheat Domestic Fundamentals:

- Bangladesh is importing Indian Wheat from Private traders at USD 315-328/T FOB Kakinada port. Traders are exporting wheat procured from government tenders and new wheat crop arrivals are expected in Gujarat and M.P by late February, FOB are expected to fall that time but not much as Wheat crop is lower in Gujarat and sourcing wheat from Rajasthan and Madhya Pradesh will cost minimum Rs 1500/Q FOR at Kandla.
- There is a growing fear in the market that wheat yield will not cross last year's level as sowing delayed by two weeks this year and temperature in the month of February will be crucial for the standing crop that are entering now in the flowering stage. Market experts say that two percent yield loss is a possibility if the standing crops don't get one –two shower of winter rains.
- At current scenario, 92 million Tonnes of wheat production seems very much on the card against the set target of 86 million T for this season. Even if production goes down to 90 million T (unlikely), problem of plenty continues to haunt the govt. on storage front. Off take in domestic market is unlikely to improve at this point of time, especially when harvesting is hardly one and a half month away. Therefore, higher export is the only visible and practical solution to have stock at manageable level.
- Wheat sowing has completed now and total area coverage is slightly lagging behind last year. Wheat has been sowed at 297.61 lakh hectares against 298.59 lakh T last year, almost one lakh hectares lower than last year. Major area increase has been witnessed in M.P. and Uttar Pradesh. Lower area coverage in Gujarat and Maharashtra will remain the cause of concern.

International Market Update:

- Egypt's GASC has bought 60,000 Tonnes of US Soft Red Winter Wheat from Venus at USD 306.80/T FOB. This fresh purchase might revive falling CBOT due to dull international demand.
- Russia is considering of scrapping 5% import duty till 1st August 2013 due to higher domestic prices and lower crop availability. This will make imports cheaper from EU; currently Russia is importing tariff free wheat mainly from Kazakhstan.
- Ukraine has exported 70,000 Wheat in January 2013 which is 40% less than December 2012, 337,000 tonnes. Since July 2012 Ukraine has exported 6.14 million tonnes of wheat according to Ministry of Agriculture.

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	-9	1,522	1,540	1,505	1,513	4,020	2,070	2,520	-1,810
Mar-13	-4	1,468	1,475	1,452	1,454	4,490	3,000	7,790	720
Apr-13	7	1,397	1,400	1,386	1,395	710	500	8,340	250
May-13	7	1,399	1,400	1,394	1,397	540	210	3,830	100

Spread	Feb-13	Mar-13	Apr-13	May-13
Spot	82			
Feb-13		-59		
Mar-13			-59	
Apr-13				2

Stocks	Demat	In- Process	Total	FED
	02/02/2013	02/02/2013	02/02/2013	28/01/2013
Delhi	-	-	-	-
Itarsi	508	0	508	508
Kanpur	-	-	-	-
Kota	3788	0	3788	3788

CBOT Wheat Futures: Date: 31.01.2013

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

Wheat Daily prices and Arrival

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			2/4/2013	2/2/2013	
Delhi					
	Lawrence Road	Mill Delivery	1590	1590	Unch
	Nazafgarh	Mill Quality Loose	-	1575	-
	Narella	Mill Quality Loose	-	1550	-
Gujarat	Rajkot	Mill Delivery	1670	1660	10
	Ahmedabad	Mill Delivery	1720	1725	-5
	Surat	Mill Delivery	1735	1750	-15
M.P.	Bhopal	Lokwan	1660	1650	10
	Indore	Mill Delivery	1625	1625	Unch
Rajasthan	Kota	Mill Delivery	1610	1650	-40
U.P.	Kanpur	Mill Delivery	1565	1565	Unch
	Mathura	Mill Quality Loose	1520	1525	-5
	Kosi	Mill Delivery	1700	1700	Unch
Punjab	Khanna	Mill Quality Loose	1500	1505	-5
	(Ludhiana)Jagraon	Mill Delivery	1560	1560	Unch
Haryana	Sirsa	Mill Delivery loose	1525	1530	-5
	Hodal	Mill Delivery	1595	1595	Unch
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Quality	-	-	-
Tamil Nadu	Chennai	Mill Quality	1875	1950	-75
	Madurai	Mill Quality	1925	2000	-75
	Coimbatore	Mill Quality	1925	2000	-75
Chattisgah	Raipur	Mill Quality	1550	1550	Unch

Bihar	Begusarai	Mill Quality	1455	1455	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1710	1725	-15
	Gandhidham(Rajasthan-Kota)	Mill Quality	1710	1725	-15

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			2/4/2013	2/2/2013	
	Lawrence Road	Mill Delivery	1200	2000	-800
	Nazafgarh	Mill Quality Loose	-	200	-
	Narella	Mill Quality Loose	-	300	-
Gujarat	Rajkot	Mill Delivery	-	-	-
	Ahmadabad	Mill Delivery	-	-	-
M.P.	Bhopal	Lokwan	-	-	-
	Indore	Mill Delivery	-	-	-
Rajasthan	Kota	Mill Quality	5000	2000	3000
U.P.	Kanpur	Mill Delivery	500	600	-100
Punjab	Khanna	Mill Quality Loose	50	200	-150
Haryana	Sirsa	Mill Quality Loose	100	300	-200
	Hodal	Mill Delivery loose	60	80	-20
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Delivery Loose	-	-	-

Wheat Products Delhi	2/4/2013	2/2/2013	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

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