

## Wheat Domestic Fundamentals:

- PEC has got highest bid of USD 312.20/T from J K International for 55,000 MT to be shipped from Karaikal port between 11 Feb -10 March, in another bid PEC got USD 312/T from K J international for 35,000 MT to be shipped from Vizag port between 11 Feb- 10 march.
- As on 1<sup>st</sup> February 2013, government has 308.09 lakh tonnes of wheat in stock. By the end of this fiscal year stocks are expected to be around 25 million tonnes.
- 16, 90,911 MT of wheat has been exported from government stocks till 31<sup>st</sup> Jan 2013, since April 2012. In next two months it is expected that 6-8 Lakh tonnes more can be exported.
- Recent rains in key producing states like Punjab and Haryana can be beneficial for standing wheat crop. However Continuous rains can cause water logging which may deter plant growth and yellow rust can affect the wheat crop.
- 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.
- 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:

- Thailand flour millers have bought 50,000 tonnes of Canadian wheat for USD 380-385/T CNF for May and June Shipment, while Indonesia has bought 180,000 tonnes of Australian prime wheat for USD 355-360/T CNF for April and may delivery.
- 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.

**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
<b>Feb-13</b>	-10	1,547	1,550	1,534	1,536	440	290	940	-230
<b>Mar-13</b>	-19	1,464	1,473	1,446	1,446	5,850	4,370	8,380	150
<b>Apr-13</b>	-11	1,396	1,398	1,387	1,387	1,280	700	8,820	310
<b>May-13</b>	-9	1,397	1,399	1,391	1,392	600	150	4,750	340

Spread	Feb-13	Mar-13	Apr-13	May-13
Spot	49			
Feb-13		-90		
Mar-13			-59	
Apr-13				5

Stocks	Demat	In- Process	Total	FED
	06/02/2013	06/02/2013	06/02/2013	5/02/2013
Delhi	-	-	-	-
Itarsi	508	0	508	508
Kanpur	-	-	-	-
Kota	3788	0	3788	3788

## CBOT Wheat Futures: Date: 06.02.2013

Contract	Open	High	Low	Close	+/-
Mar-13	758.00	764.00	746.50	761.50	+4.00
May-13	764.25	771.50	754.25	769.25	+5.00
Jul-13	768.50	775.00	758.25	772.25	+3.75
Sep-13	776.75	784.75	769.75	782.25	+2.00
Dec-13	796.25	800.00	785.75	796.50	+0.50

## Wheat Daily prices and Arrival

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			2/7/2013	2/6/2013	
Delhi					
	Lawrence Road	Mill Delivery	1585	1590	-5
	Nazafgarh	Mill Quality Loose	1550	-	-
	Narella	Mill Quality Loose	1535	-	-
Gujarat	Rajkot	Mill Delivery	1650	1670	-20
	Ahmadabad	Mill Delivery	1710	1710	Unch
	Surat	Mill Delivery	1730	1730	Unch
M.P.	Bhopal	Lokwan	1650	1650	Unch
	Indore	Mill Delivery	1610	1625	-15
Rajasthan	Kota	Mill Delivery	1600	1610	-10
U.P.	Kanpur	Mill Delivery	1575	1575	Unch
	Mathura	Mill Quality Loose	1535	1550	-15
	Kosi	Mill Delivery	1700	1700	Unch
Punjab	Khanna	Mill Quality Loose	1500	1500	Unch
	(Ludhiana)Jagraon	Mill Delivery	1560	1560	Unch
Haryana	Sirsa	Mill Delivery loose	1525	1520	5
	Hodal	Mill Delivery	1595	1595	Unch
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Quality	-	-	-
Tamil Nadu	Chennai	Mill Quality	1800	1875	-75
	Madurai	Mill Quality	1850	1925	-75
	Coimbatore	Mill Quality	1850	1925	-75
Chattisgah	Raipur	Mill Quality	1550	1550	Unch

Bihar	Begusarai	Mill Quality	1450	1455	-5
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1675	1710	-35
	Gandhidham(Rajasthan-Kota)	Mill Quality	1675	1710	-35

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			2/7/2013	2/6/2013	
	Lawrence Road	Mill Delivery	1000	1700	-700
	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	2500	1500
U.P.	Kanpur	Mill Delivery	400	200	200
Punjab	Khanna	Mill Quality Loose	200	200	Unch
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Delivery loose	100	60	40
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Delivery Loose	-	-	-

Wheat Products Delhi	2/7/2013	2/6/2013	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)	665	670	-5
Chokar (34 kg)	462	465	-3
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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