

Wheat Domestic Fundamentals:

- Government is expected to procure 440.06 Lakh Tonnes of wheat in 2013-14 Rabi Marketing season as compared to previous season's 381.48 Lakh Tonnes. This year crop is expected to be around 92.3 million tonnes, which is lower than last year crop of 94.88 million tonnes.
- PEC has received the highest bid of USD 312/T for 1, 25,000 MT milling wheat to be shipped between 20 Feb and 31 March 2013.
- Wheat sowing has completed now and total area coverage is slightly lagging behind last year. Wheat has been sowed at 298.38 lakh hectares against 298.61 lakh hectares last year at the same time, almost twenty three thousand 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.
- Wheat inflation has declined from December 2012(23.23%) to 21.39% in January 13. Although WPI has reduced marginally to 205.4 in January 2013 from 205.3 in December 2012 as government had increased the supply in January.
- UP government is expected to procure 6 million tonnes wheat this year as compared to previous year's 4.2 million tonnes. Procurement will start from April 1 to June 30. A total of 6,000 procurement centers would be set up, of which 5,000 would be set up by UP Cooperative Federation Limited (PCF) and the state cooperatives department alone.

International Market Update:

- Italian soft wheat imports fell to 3.95 million tons in the first 11 months of 2012(January 12- November 12) and Durum wheat, the hard variety wheat used for pasta, fell to 1.41 million tons from 2.11 million.
- Ukraine wheat stock fell to 4.7 million tonnes on 1 Feb 2013 from 6.5 million tonnes on 1 Dec 2012.
- Bangladesh's state grain buying agency has received the lowest bid of USD 328.16/T for 50,000 MT from Smile Food.
- Morocco's state grains agency ONICL said has bought 176,000 tonnes of soft wheat for around USD 300-330/T FOB. Morocco has extended its freeze of the 17 percent import duty on soft wheat from 31 December 2012 through 30 April 2013 to ensure a regular supply of the commodity to the domestic market after poor domestic harvest.
- Canada might export 18.75 million tonnes of wheat in 2013-13 highest since 2006-07 as Australia has lower crop this year of 22.077 million tonnes. Traditional buyers of Canadian supplies such as Indonesia, Japan, Philippines, South Korea, Malaysia and Sri Lanka have bought more Canadian wheat year over year.

Domestic market Outlook: We expect wheat Cash and future market to trade steady to weak as government is augmenting supply to offload huge stocks.

NCDEX Wheat Futures									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Mar-13	-13	1,514	1,515	1,499	1,504	3,100	1,450	8,350	-240
Apr-13	-5	1,404	1,405	1,397	1,401	2,430	1,520	11,120	550
May-13	-3	1,406	1,408	1,401	1,405	1,160	860	7,090	380
June-13	-5	1,417	1,417	1,417	1,417	10	-60	120	0

Spread	Mar-13	Apr-13	May-13	Jun-13
Spot	81			
Mar-13		-103		
Apr-13			4	
May-13				12

Stocks	Demat	In- Process	Total	FED
	18/02/2013	18/02/2013	18/02/2013	18/02/2013
Delhi	-	-	-	-
Itarsi	508	0	508	508
Kanpur	-	-	-	-
Kota	3788	0	3788	3788

CBOT Wheat Futures: Date: 15.02.2013

Contract	Open	High	Low	Close	+/-
Mar-13	747.00	747.25	726.25	732.25	-10.00
May-13	751.00	753.00	732.25	738.75	-9.75
Jul-13	752.00	754.00	735.00	741.75	-9.25
Sep-13	760.00	762.50	744.25	750.25	-9.75
Dec-13	775.00	775.75	757.00	763.25	-9.00

Wheat Daily prices and Arrival

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			2/20/2013	2/19/2013	
Delhi					
	Lawrence Road	Mill Delivery	1590	1585	5
	Nazafgarh	Mill Quality Loose	-	-	-
	Narella	Mill Quality Loose	-	1560	-
Gujarat	Rajkot	Mill Delivery	1650	1650	Unch
	Ahmedabad	Mill Delivery	1720	1710	10
	Surat	Mill Delivery	1735	1740	-5
M.P.	Bhopal	Lokwan	1700	1700	Unch
	Indore	Mill Delivery	1580	1625	-45
Rajasthan	Kota	Mill Delivery	1615	1620	-5
U.P.	Kanpur	Mill Delivery	1625	1600	25
	Mathura	Mill Quality Loose	1555	1550	5
	Kosi	Mill Delivery	1700	1700	Unch
Punjab	Khanna	Mill Quality Loose	1470	1475	-5
	(Ludhiana)Jagraon	Mill Delivery	1560	1560	Unch
Haryana	Sirsa	Mill Delivery loose	1510	1515	-5
	Hodal	Mill Delivery	1580	1590	-10
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Quality	-	-	-
Tamil Nadu	Chennai	Mill Quality	1825	1875	-50
	Madurai	Mill Quality	1875	1925	-50
	Coimbatore	Mill Quality	1875	1925	-50

Chattisgah	Raipur	Mill Quality	1550	1550	Unch
Bihar	Begusarai	Mill Quality	1430	1430	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1675	1700	-25
	Gandhidham(Rajasthan-Kota)	Mill Quality	1675	1700	-25
Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			2/20/2013	2/19/2013	
	Lawrence Road	Mill Delivery	1000	1000	Unch
	Nazafgarh	Mill Quality Loose	-	-	-
	Narella	Mill Quality Loose	-	150	-
Gujarat	Rajkot	Mill Delivery	-	-	-
	Ahmadabad	Mill Delivery	-	-	-
M.P.	Bhopal	Lokwan	-	-	-
	Indore	Mill Delivery	-	-	-
Rajasthan	Kota	Mill Quality	3000	2000	1000
U.P.	Kanpur	Mill Delivery	500	400	100
Punjab	Khanna	Mill Quality Loose	200	200	Unch
Haryana	Sirsa	Mill Quality Loose	200	100	100
	Hodal	Mill Delivery loose	50	100	-50
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Delivery Loose	-	-	-
Wheat Products Delhi			2/20/2013	2/19/2013	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)			450	450	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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