

## Wheat Domestic Fundamentals:

- Thailand feed millers have bought 40,000 MT Indian wheat during the week as prices are declining. Purchases were made around USD 315/T CNF.
- In January 2013, 400,674 MT of wheat was exported from government stock through PSU's and it is expected that in February 2013, this could reach 500,000 MT.
- Government has set target of procuring around 44 million tonnes wheat this year. Punjab is likely to be the largest contributor towards wheat central pool stock, Madhya Pradesh may takeover Haryana as second largest contributor with around 11.5 million tonnes wheat as sown area has increased by 3 lakh hectares in M.P.
- 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.
- 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.

## International Market Update:

- According to IGC, World wheat production is forecasted to increase by around 4 percent in the 2013-14 crop year, with most of the increase is expected to be absorbed by rising demand leaving little or no room of stock building. World production of wheat may be 656 million tons, little changed from the previous forecast. Ending stocks are predicted to be 176 million tons, 2 million tons more than the January outlook.
- CBOT has fallen as recent snow in key wheat growing region of US like Kansas State has increased the possibility of better crop and Wheat March 13 Contract Closed on \$264.99/T, which is lowest since July last year. International future and Spot market may continue under pressure ahead as buyers too are deferring purchases to re-enter at lower levels.
- Iran's state grains agency GTC has purchased 180,000 tonnes of Australian wheat for April 2013 shipment in past couple of weeks at USD 405/T, CNF. According to traders purchases were made at \$10 premium due to sanctions imposed by west.

**Domestic market Outlook:** We expect wheat Cash and future market to trade steady to weak as

NCDEX Wheat Futures									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
<b>Mar-13</b>	2	1,513	1,519	1,511	1,515	1,190	-2,390	8,560	30
<b>Apr-13</b>	2	1,415	1,417	1,411	1,416	760	-2,200	12,380	260
<b>May-13</b>	6	1,422	1,423	1,416	1,422	840	-1,070	7,570	310
<b>June-13</b>	2	1,436	1,436	1,432	1,432	40	-150	240	20

Spread	Mar-13	Apr-13	May-13	Jun-13
Spot	75			
Mar-13		-99		
Apr-13			6	
May-13				10

Stocks	Demat	In- Process	Total	FED
	21/02/2013	21/02/2013	21/02/2013	18/02/2013
Delhi	-	-	-	-
Itarsi	508	0	508	508
Kanpur	-	-	-	-
Kota	3788	0	3788	3788

## CBOT Wheat Futures: Date: 21.02.2013

Contract	Open	High	Low	Close	+/-
Mar-13	738.00	738.25	719.25	721.25	-17.25
May-13	745.00	744.75	722.75	724.00	-21.25
Jul-13	747.00	748.00	726.25	728.00	-20.00
Sep-13	753.00	756.00	735.25	736.50	-19.75
Dec-13	766.00	766.50	748.50	750.00	-18.50

## Wheat Daily prices and Arrival

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			2/22/2013	2/21/2013	
Delhi					
	Lawrence Road	Mill Delivery	1590	1595	-5
	Nazafgarh	Mill Quality Loose	1560	1560	Unch
	Narella	Mill Quality Loose	1550	1550	Unch
Gujarat	Rajkot	Mill Delivery	1650	1650	Unch
	Ahmedabad	Mill Delivery	1715	1715	Unch
	Surat	Mill Delivery	1735	1735	Unch
M.P.	Bhopal	Lokwan	1700	1675	25
	Indore	Mill Delivery	1610	1590	20
Rajasthan	Kota	Mill Delivery	1620	1610	10
U.P.	Kanpur	Mill Delivery	1625	1625	Unch
	Mathura	Mill Quality Loose	1550	1560	-10
	Kosi	Mill Delivery	1700	1700	Unch
Punjab	Khanna	Mill Quality Loose	1460	1470	-10
	(Ludhiana)Jagraon	Mill Delivery	1560	1560	Unch
Haryana	Sirsa	Mill Delivery loose	1520	1520	Unch
	Hodal	Mill Delivery	1580	1580	Unch
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Quality	-	-	-
Tamil Nadu	Chennai	Mill Quality	1875	1825	50
	Madurai	Mill Quality	1925	1875	50
	Coimbatore	Mill Quality	1925	1875	50
Chattisgah	Raipur	Mill Quality	1550	1550	Unch

Bihar	Begusarai	Mill Quality	1500	1500	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1700	1675	25
	Gandhidham(Rajasthan-Kota)	Mill Quality	1700	1675	25

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			2/22/2013	2/21/2013	
Delhi					
	Lawrence Road	Mill Delivery	1200	1500	-300
	Nazafgarh	Mill Quality Loose	10	30	-20
	Narella	Mill Quality Loose	150	125	25
Gujarat	Rajkot	Mill Delivery	-	-	-
	Ahmadabad	Mill Delivery	-	-	-
M.P.	Bhopal	Lokwan	-	-	-
	Indore	Mill Delivery	-	-	-
Rajasthan	Kota	Mill Quality	1500	3000	-1500
U.P.	Kanpur	Mill Delivery	500	500	Unch
Punjab	Khanna	Mill Quality Loose	200	100	100
Haryana	Sirsa	Mill Quality Loose	100	100	Unch
	Hodal	Mill Delivery loose	50	80	-30
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Delivery Loose	-	-	-

Wheat Products Delhi	2/22/2013	2/21/2013	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)	464	459	5
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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