

Wheat Domestic Fundamentals:

- New Crop arrivals has reached Indore Mandi and traded around Rs 1400-1450/Q, with 14-15% Moisture.
- Government has stopped selling wheat through tender sale in Madhya Pradesh from March although it will continue in other states. Arrivals in Punjab, Haryana and U.P are expected to hit market in April.
- New crop arrivals of 500 bags have started reaching Bhopal Mandi at Rs 1700-1900/Q. As per feedback from private traders, they will be sourcing wheat from U.P and Rajasthan as crop was affected by extreme weather conditions earlier.
- Thailand has bought 30,000 MT Indian feed wheat for USD 320/T, CNF for May delivery. Indian wheat FOB prices have declined from USD 312/T 10 days ago to USD 295-300/T now, as international market has declined owing to better crop prospects and poor international buying.
- STC has received the highest bid of USD 300.10/T for export of 35,000 MT Indian milling wheat from Louis Dreyfus. MMTC has received the highest bid of USD 302.02/T for export of Indian milling Wheat from Emmsons International for 35,000 MT.
- Bulk Wheat buyers have reduced their purchasing by 25-30% from government stock under OMSS in the second half of this month. Off take may fall further as new crop is round the corner.
- 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.

International Market Update:

- CBOT Wheat has recovered from previous week lowest levels as wheat demand is increasing wheat became a cheaper alternative to corn for cattle rations on U.S. feedlots. Moreover, buoyant wheat export too has dragged wheat towards north.
- According to Russia's Deputy Agriculture Minister Ilya Shestakov, if grains harvest remains below government target of 95 million tonnes than government may buy grain in the country's main exportable South region to prevent excessive exports to control domestic prices.
- U.S. soft white wheat was quoted around USD 360/T, CNF, to Southeast Asia while hard red winter wheat was being offered at USD 365/T, both varieties are down by \$5-\$10 a tonne from last week. U.S. northern spring wheat was offered around USD 395/T, little changed from last week. Australian prime wheat was quoted at USD 365/T, CNF, standard wheat at USD 355-360/T and hard wheat with 12 percent protein at USD 380/T CNF.

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
Mar-13	-4	1,523	1,523	1,516	1,520	1,280	590	6,690	-350
Apr-13	-8	1,422	1,423	1,414	1,417	1,700	1,210	12,850	-300
May-13	-7	1,425	1,428	1,421	1,423	1,440	1,210	8,800	470
June-13	-5	1,437	1,437	1,437	1,437	10	0	190	-10

Spread	Mar-13	Apr-13	May-13	Jun-13
Spot	70			
Mar-13		-103		
Apr-13			6	
May-13				14

Stocks	Demat	In- Process	Total	FED
	28/02/2013	28/02/2013	28/02/2013	25/02/2013
Delhi	-	-	-	-
Itarsi	508	0	508	508
Kanpur	-	-	-	-
Kota	3788	0	3788	3788

CBOT Wheat Futures: Date: 28.02.2013

Contract	Open	High	Low	Close	+/-
Mar-13	705.25	716.75	702.25	707.75	+3.50
May-13	712	723	710.75	714.5	+2.50
Jul-13	715	726	713	716.5	+1.50
Sep-13	724.5	733.75	721	725.25	+1.00
Dec-13	736	748.25	735.5	739.5	+0.75

Wheat Daily prices and Arrival

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			3/1/2013	2/28/2013	
Delhi					
	Lawrence Road	Mill Delivery	1590	1590	Unch
	Nazafgarh	Mill Quality Loose	1555	1550	5
	Narella	Mill Quality Loose	1555	1565	-10
Gujarat	Rajkot	Mill Delivery	1625	1625	Unch
	Ahmedabad	Mill Delivery	1675	1680	-5
	Surat	Mill Delivery	1700	1700	Unch
M.P.	Bhopal	Lokwan	1600	1600	Unch
	Indore	Mill Delivery	1500	1600	-100
Rajasthan	Kota	Mill Delivery	-	-	-
U.P.	Kanpur	Mill Delivery	1610	1610	Unch
	Mathura	Mill Quality Loose	1540	1540	Unch
	Kosi	Mill Delivery	1700	1700	Unch
Punjab	Khanna	Mill Quality Loose	1470	1470	Unch
	(Ludhiana)Jagraon	Mill Delivery	1560	1560	Unch
Haryana	Sirsa	Mill Delivery loose	1525	1525	Unch
	Hodal	Mill Delivery	1580	1580	Unch
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Quality	-	-	-
Tamil Nadu	Chennai	Mill Quality	-	-	-
	Madurai	Mill Quality	-	-	-
	Coimbatore	Mill Quality	-	-	-

Chattisgarh	Raipur	Mill Quality	1550	1550	Unch
Bihar	Begusarai	Mill Quality	1675	1650	25
FOR	Kandla(Rajasthan-Kota)	Mill Quality	-	-	-
	Gandhidham(Rajasthan-Kota)	Mill Quality	-	-	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			3/1/2013	2/28/2013	
	Lawrence Road	Mill Delivery	2000	1600	400
	Nazafgarh	Mill Quality Loose	100	60	40
	Narella	Mill Quality Loose	200	150	50
Gujarat	Rajkot	Mill Delivery	-	-	-
	Ahmadabad	Mill Delivery	-	-	-
M.P.	Bhopal	Lokwan	-	-	-
	Indore	Mill Delivery	-	-	-
Rajasthan	Kota	Mill Quality	-	-	-
U.P.	Kanpur	Mill Delivery	600	500	100
Punjab	Khanna	Mill Quality Loose	300	300	Unch
Haryana	Sirsa	Mill Quality Loose	150	200	-50
	Hodal	Mill Delivery loose	50	60	-10
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Delivery Loose	-	-	-
Wheat Products Delhi			3/1/2013	2/28/2013	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)			670	670	Unch
Chokar (34 kg)			464	464	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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