

Wheat Domestic Fundamentals:

- Old wheat crop traded at Rs 1360/Q in M.P and new crop traded around Rs 1450/Q. Private traders are not active in market.
- Traders and Analysts are estimating wheat crop around 94 million tonnes this year.
- Weak tone was witnessed at key spot market as arrivals have pressurized market. Poor private exports too have made market bearish as they are waiting for new crop.
- Despite the news of yellow rust infestation in some pockets of Haryana and Punjab wheat cash market continued to rule steady to slightly weak ahead of incoming crop. Weak inner tone will remain restrictive for the cash wheat market in the days ahead.
- However, export demand lends some support to cash market and restrict downward trend. With increasing temperature and resultantly higher arrival will continue to weigh on market fundamental. Overall crop condition is good barring some pockets of Punjab, Haryana and M.P.
- Arrivals from new crop in Gujarat and M.P. are expected to increase by 20th March while procurement agencies are ready to start their activities from 15th of March. Procurement in other states like Punjab, Haryana and Uttar Pradesh may be delayed by a week or two, scheduled to be commenced from 1st of April.
- 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.
- 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:

- Traders and Analyst anticipate Ukrainian 2013 grains crop at 53 million tonnes as compared to 46.2 million tonnes in 2012 due to favorable weather and higher domestic prices. Winter grains had emerged on the area of 8 million hectares or 98.5 percent the sown area as of March 1. The proportion of crops in good or satisfactory condition was 7.3 million hectares.
- Crop friendly snowfall has moved from the U.S. Northern Plains into the central and Eastern Midwest, leaving up to an additional six to eight inches of snow.
- Wheat production in Australia is expected to be 24.9 million tonnes due to increased planting and higher yields from better growing conditions, which is up from 22.077 million tonnes produced in the 2012-13 season, According to the Australian Bureau of Agriculture and Resource Economics and Sciences (ABARES)
- Ukraine EXW Milling Wheat (12% Protein) was traded at USD 279-304/T. Milling Wheat (11% Protein) was traded USD 272-288/T EXW. No FOB prices were reported during the past week.
- According to Grain Silos and Flour Mills Organization Saudi Arabia bought 465,000 tonnes of hard wheat (12.5 percent protein minimum) and 110,000 tonnes of soft wheat (11 percent protein minimum) for delivery between June-August 2013. At Jeddah port 55,000 MT of soft wheat will be imported from Noble at USD 326.28/T CNF for 1-10 June 2013 delivery.

Domestic market Outlook: We expect wheat Cash and future market to trade steady to weak on back of good crop prospects and sluggish demand from bulk buyers.

NCDEX Wheat Futures									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Mar-13	-7	1,545	1,550	1,526	1,540	3,780	-10,070	5,080	-1,780
Apr-13	-1	1,403	1,405	1,395	1,403	3,100	-970	11,560	200
May-13	-1	1,409	1,412	1,404	1,411	1,680	570	9,540	630
June-13	-4	1,421	1,427	1,415	1,425	540	490	550	340

Spread	Mar-13	Apr-13	May-13	Jun-13
Spot	40			
Mar-13		-137		
Apr-13			8	
May-13				14

Stocks	Demat	In- Process	Total	FED
	4/3/2013	4/3/2013	4/3/2013	4/3/2013
Delhi	-	-	-	-
Itarsi	508	0	508	508
Kanpur	-	-	-	-
Kota	3788		3788	

CBOT Wheat Futures: Date: 04.03.2013

Contract	Open	High	Low	Close	+/-
Mar-13	714.00	714.00	691.00	696.00	-17.00
May-13	722.00	722.00	697.50	702.50	-18.00
Jul-13	719.75	723.00	700.00	704.50	-18.00
Sep-13	730.00	730.00	708.00	712.00	-18.00
Dec-13	743.25	743.25	721.50	725.25	-17.25

Wheat Daily prices and Arrival

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			3/5/2013	3/4/2013	
Delhi					
	Lawrence Road	Mill Delivery	1580	1585	-5
	Nazafgarh	Mill Quality Loose	1550	1555	-5
	Narella	Mill Quality Loose	1560	1550	10
Gujarat	Rajkot	Mill Delivery	1550	1570	-20
	Ahmedabad	Mill Delivery	1515	1575	-60
	Surat	Mill Delivery	1520	1600	-80
M.P.	Bhopal	Lokwan	1550	1575	-25
	Indore	Mill Delivery	1500	1520	-20
Rajasthan	Kota	Mill Delivery	1450	1440	10
U.P.	Kanpur	Mill Delivery	1610	1610	Unch
	Mathura	Mill Quality Loose	1515	1520	-5
	Kosi	Mill Delivery	1700	1700	Unch
Punjab	Khanna	Mill Quality Loose	1475	1470	5

	(Ludhiana)Jagraon	Mill Delivery	-	-	-
Haryana	Sirsa	Mill Delivery loose	1510	1520	-10
	Hodal	Mill Delivery	1580	1580	Unch
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Quality	-	-	-
Tamil Nadu	Chennai	Mill Quality	1725	1775	-50
	Madurai	Mill Quality	1775	1825	-50
	Coimbatore	Mill Quality	1775	1825	-50
Chattisgah	Raipur	Mill Quality	1550	1550	Unch
Bihar	Begusarai	Mill Quality	1650	1675	-25
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1550	-	-
	Gandhidham(Rajasthan-Kota)	Mill Quality	1550	-	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			3/5/2013	3/4/2013	
	Lawrence Road	Mill Delivery	1500	1500	Unch
	Nazafgarh	Mill Quality Loose	100	150	-50
	Narella	Mill Quality Loose	150	100	50
Gujarat	Rajkot	Mill Delivery	-	-	-
	Ahmadabad	Mill Delivery	-	-	-
M.P.	Bhopal	Lokwan	-	-	-
	Indore	Mill Delivery	-	-	-
Rajasthan	Kota	Mill Quality	2500	1500	1000
U.P.	Kanpur	Mill Delivery	500	500	Unch
Punjab	Khanna	Mill Quality Loose	350	300	50
Haryana	Sirsa	Mill Quality Loose	100	200	-100
	Hodal	Mill Delivery loose	60	50	10
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Delivery Loose	-	-	-

Wheat Products Delhi	3/5/2013	3/4/2013	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)	454	464	-10
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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