

Wheat Domestic Fundamentals:

- **Wheat cash market traded under pressure** ahead of new crop despite bonus (Rs 150 per qtl.) announced by Rajasthan and Madhya Pradesh govts. Over and above MSP of Rs 1350 per qtl. for MY 2013-14. Procurement is scheduled to be start from 15th of March in Gujarat, Rajasthan and Madhya Pradesh.
- **As crop in Gujarat is lower and private trades** are active, procurement quantity in Gujarat will be lower than expectation. However, contribution to central pool kitty from Rajasthan and Madhya Pradesh is set to rise on the back of bonus and improved production estimate.
- **Private traders have been allowed to export wheat** from govt.'s godowns at Rs 1480 per qtl. from last year's crop . They have to bear freight cost too from ware house to destination .With new arrivals, exporters will not prefer to buy bulk quantity for export due to disparity when we add total costing including freight. Notably, Govt. has nodded its head on continuation of wheat export without quantity restriction.
- **With continuation of export procurement target** of 44 (set by govt.) is unlikely to meet this year despite bumper production, hiked MSP and bonus. As per market expectation govt. will not be able to procure more than 38 million T wheat in MY 2013-14.
- **Maximum bid received in PEC tender on 6th March 2013** for 40,000 T was \$303.40 /MT. The lowest bid was recorded at \$292/MT. Other bidders who offer \$ 303.40 MT, out of the trend can buy wheat under tendered quantity.
- Traders and Analysts are estimating wheat crop around 94 million tonnes this year. We expect prices to dip further.

International Market Update:

- **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- (ABARES)
- **FAO sees record global wheat production this year** due to higher area coverage in Europe and improved weather conditions in US. Global wheat production is expected to increase by 4.3 percent from last year to 690 million T this year.
- **Outlook for wheat crop in US has improved** and stock exceeded form expectation there.

Domestic market Outlook: Wheat cash market is set to decline further and weak bias likely to continue.

NCDEX Wheat Futures									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Mar-13	4	1,546	1558	1540	1556	310	-910	4260	-400
Apr-13	-5	1,412	1418	1406	1410	1550	-4,450	12890	650
May-13	-3	1,423	1423	1415	1418	600	-1,390	10650	720
June-13	-5	1,434	1434	1427	1427	170	-440	1530	870

Spread	Mar-13	Apr-13	May-13	Jun-13
Spot	29			
Mar-13		-130		
Apr-13			8	
May-13				-9

Stocks	Demat	In- Process	Total	FED
	8/3/2013	8/3/2013	8/3/2013	4/3/2013
Delhi	-	-	-	-
Itarsi	508	0	508	508
Kanpur	-	-	-	-
Kota				

CBOT Wheat Futures: Date: 08.03.2013

Contract	Open	High	Low	Close	+/-
13-Mar	688.00	693.75	679.50	690.00	3.25
13-May	696.25	703.00	684.00	697.00	1.50
13-Jul	699.75	705.50	690.50	699.00	0.00
13-Sep	706.00	711.75	697.75	705.00	-1.00
13-Dec	720.00	725.25	711.75	718.00	-2.00

Wheat Daily Prices and Arrivals On 9.3.2013

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			3/9/2013	3/8/2013	
Delhi	Lawrence Road	Mill Delivery	1585	1570	15
	Nazafgarh	Mill Quality Loose	1550	1560	-10
	Narella	Mill Quality Loose	1530	1550	-20
	Rajkot	Mill Delivery	1575	1575	Unch
Gujarat	Ahmedabad	Mill Delivery	1600	1600	Unch
	Surat	Mill Delivery	1620	1615	5
	Bhopal	Lokwan	1550	1550	Unch
M.P.	Indore	Mill Delivery	1540	1515	25
	Kota	Mill Delivery	1510	1475	35
Rajasthan	Kanpur	Mill Delivery	1500	1500	Unch
	Mathura	Mill Quality Loose	1460	1470	-10
	Kosi	Mill Delivery	1650	1650	Unch
U.P.	Khanna	Mill Quality Loose	1470	1470	Unch
	(Ludhiana)Jagraon	Mill Delivery	-	-	-
Punjab	Sirsa	Mill Delivery loose	1500	1500	Unch
	Hodal	Mill Delivery	1590	1590	Unch
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Quality	-	-	-
Haryana	Chennai	Mill Quality	1875	1750	125
	Madurai	Mill Quality	1925	1800	125
	Coimbatore	Mill Quality	1925	1800	125

Chattisgah	Raipur	Mill Quality	1550	1550	Unch
Bihar	Begusarai	Mill Quality	1660	1660	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1560	1560	Unch
	Gandhidham(Rajasthan-Kota)	Mill Quality	1560	1560	Unch

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			3/9/2013	3/8/2013	
	Lawrence Road	Mill Delivery	1800	1000	800
	Nazafgarh	Mill Quality Loose	80	150	-70
	Narella	Mill Quality Loose	300	250	50
Gujarat	Rajkot	Mill Delivery	-	-	-
	Ahmadabad	Mill Delivery	-	-	-
M.P.	Bhopal	Lokwan	-	-	-
	Indore	Mill Delivery	-	-	-
Rajasthan	Kota	Mill Quality	2500	3000	-500
U.P.	Kanpur	Mill Delivery	400	400	Unch
Punjab	Khanna	Mill Quality Loose	200	400	-200
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Delivery loose	30	20	10
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Delivery Loose	-	-	-

Wheat Products Delhi	3/9/2013	3/8/2013	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)	645	650	-5
Chokar (34 kg)	442	445	-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