

Wheat Domestic Fundamentals:

- Abnormal rise in temperature (above 33 degree Celsius) in major wheat growing belts, especially in Uttar Pradesh, Bihar, Rajasthan, Haryana and Gujarat at this point of time is expected to affect normal yield. Temperature is likely to rise continuously and may touch 37-38 degree Celsius by the end of this month. At this stage ideal temperature for wheat in these states should be around 30 degree Celsius. Above 32 degree Celsius temperature can reduce yield by three to five percent in these states. Higher temperature may reduce grain size of late sowed varieties in Uttar Pradesh and Bihar.
- In Madhya Pradesh the first phase, wheat will be procured from March 18 to May 18 in Bhopal, Indore, Ujjain and Narmadapuram divisions. The second phase of wheat procurement will be from March 25 to May 25 in remaining divisions including Gwalior, Chambal, Rewa, Shahdol, Sagar and Jabalpur.
- Wheat cash market continued to rule steady despite improved harvesting activities in Rajasthan, Madhya Pradesh and North East Gujarat. Lower arrival at this point of time has compelled govt.'s agencies to extend procurement schedule at least for two weeks. Procurement is expected to start from 1st of April.
- Rake loading from Kota to Kottayam and Coimbatore continues at Rs 1830/Q on delivered basis. Private exporters are still in wait and watch mood and are expected to wait for Uttar Pradesh crop, where there is no bonus over and above MSP.
- Wheat quality in Gujarat is poor in comparison to last year and exporters are unwilling to buy it. Lower production and poor quality there remains discouraging factor and only local traders are buying wheat at Rs1425-1450/Q. Millers from Gujarat are not buying from Rajasthan due to disparity. FOR Kandla is Rs 1590 and when buyers source it from Kota Total costing including freight comes to Rs1665/Q for mill delivery.

International Market Update:

- Pakistan is expected to harvest bumper crop of 26.2 million tonnes wheat in 2013-14 mainly attributed to abundant supplies of phosphate fertilizers and well distributed rains.
- As per latest International Grain Council (IGC) report 2012-13 production remains unchanged from previous estimate of 656 million tonnes. Trade has been increased by 1 million tonne to 138 million tonnes from previous estimate due to recent fall in wheat prices across the globe. Carryover stocks have been increased to 177 million tonnes by 1 million tonnes but it is still 20 million tonnes lower year on year basis.
- According to IGC, Wheat output is expected to rise by 4% in 2013-14, a recovery in global use will leave little room to rebuild stocks, which are forecast to increase by just 5 million tonnes year on year basis.
- In 2013-14 Canadian grain prices are expected to fall by 10-15% due to lower international prices and higher domestic and international production as compared to 2012-13.
- According to analysts and trades, Ukraine is likely to raise its grain exports by about 26% to 27 million tonnes in the July 2013-June 2014 season as wheat exports is expected to rise to 8.75 million tonnes from 6.5 million tonnes in 2012-13. Ukraine is expected to produce around 19 million tonnes this year.

Domestic market Outlook: We expect wheat Cash and future market to trade steady on back of good crop prospects.

NCDEX Wheat Futures									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Apr-13	-7	1,436	1,436	1,426	1,427	1,330	-530	12,290	-280
May-13	-7	1,426	1,432	1,425	1,425	740	-310	12,820	-10
June-13	-9	1,442	1,442	1,441	1,441	110	-360	1,850	-80
July-13	-	-	-	-	-	-	-	-	-

Spread	Mar-13	Apr-13	May-13	Jun-13
Spot	158			
Mar-13		-2		
Apr-13			16	
May-13				-

Stocks	Demat	In- Process	Total	FED
	22/3/2013	22/3/2013	22/3/2013	18/3/2013
Delhi	-	-	-	-
Itarsi	508	0	508	508
Kanpur	-	-	-	-
Kota	3788	0	3788	3788

CBOT Wheat Futures: Date: 22.03.2013

Contract	Open	High	Low	Close	+/-
Mar-13	728.25	731.50	715.50	729.75	+1.00
May-13	726.75	730.00	715.50	729.25	+1.75
Jul-13	732.00	735.75	721.50	735.00	+2.25
Sep-13	743.00	747.50	733.50	746.25	+2.00
Dec-13	753.50	758.25	747.00	758.25	+2.00

(Fig. in Bushels/Cent)
FOB Prices (in USD/MT)

Country	22.3.2013	21.3.2013		22.3.2013	21.3.2013
India (Kandla)	305.54	304.90	Argentina	312.50	312.50
Australia	NA	278.74	France	NA	NA
Russia	272.00	272.00	England	NA	NA
Ukraine	270.00	270.00			
US (Gulf)	NA	NA			

Wheat Daily prices and Arrival

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			3/23/2013	3/22/2013	
Delhi	Lawrence Road	Mill Delivery	1585	1580	5
	Nazafgarh	Mill Quality Loose	1525	1525	Unch
	Narella	Mill Quality Loose	1525	1520	5
Gujarat	Rajkot	Mill Delivery	1590	1590	Unch
	Ahmedabad	Mill Delivery	1600	1600	Unch
	Surat	Mill Delivery	1625	1630	-5
M.P.	Bhopal	Lokwan	1600	1600	Unch
	Indore	Mill Delivery	1555	1555	Unch
Rajasthan	Kota	Mill Delivery	1525	1525	Unch
U.P.	Kanpur	Mill Delivery	1475	1475	Unch
	Mathura	Mill Quality Loose	1430	1430	Unch
	Kosi	Mill Delivery	1600	1600	Unch
Punjab	Khanna	Mill Quality Loose	1475	1470	5
	(Ludhiana)Jagraon	Mill Delivery	-	-	-
Haryana	Sirsa	Mill Delivery loose	1470	1465	5
	Hodal	Mill Delivery	1560	1565	-5
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Quality	-	-	-
Tamil Nadu	Chennai	Mill Quality	1850	1800	50
	Madurai	Mill Quality	1900	1850	50
	Coimbatore	Mill Quality	1900	1850	50
Chattisgah	Raipur	Mill Quality	1550	1550	Unch
Bihar	Begusarai		1630	1650	-20
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1590	1590	Unch
	Gandhidham(Rajasthan-Kota)	Mill Quality	1590	1590	Unch

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			3/23/2013	3/22/2013	
Delhi	Lawrence Road	Mill Delivery	1800	1500	300
	Nazafgarh	Mill Quality Loose	50	100	-50
	Narella	Mill Quality Loose	100	175	-75
Gujarat	Rajkot	Mill Delivery	-	-	-
	Ahmadabad	Mill Delivery	-	-	-
M.P.	Bhopal	Lokwan	-	-	-
	Indore	Mill Delivery	-	-	-
Rajasthan	Kota	Mill Quality	15000	6000	9000
U.P.	Kanpur	Mill Delivery	600	600	Unch
Punjab	Khanna	Mill Quality Loose	300	300	Unch

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Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Delivery loose	50	50	Unch
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Delivery Loose	-	-	-

Wheat Products Delhi	3/23/2013	3/22/2013	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)	610	610	Unch
Chokar (34 kg)	392	392	Unch
Chakki Atta (50kg)	935	935	Unch
Chakki Atta (50kg) Special	935	935	Unch
Chakki Atta (90kg) Superfine	1726	1726	Unch
Chakki Atta (50kg) Superfine	940	940	Unch

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