

Wheat Domestic Fundamentals:

- As per Agriculture department wheat sowing data, wheat has been sown in 6.38 million hectares so far which is 17% more than last year at the same time. UP has targeted 9.4 million hectares of wheat area this year and sowing has been completed in 68% of area. As per current sowing pace wheat may be sown in 9.73 million hectares.
- Wheat has been sown in 179.44 lakh hectares so far in 2013-14 as compared to 158.46 lakh hectares in 2012-13. The sowing pace is more than last year due to good soil moisture and conducive weather for plantation.
- Sowing in major wheat growing states have crossed halfway mark and area in Gujarat is likely increase by 20 to 30 percent this year as farmers are using cotton and peanuts area for wheat sowing. Prices are ruling higher in Gujarat and it has encouraged farmers to cover more area under wheat this year. However, late harvesting of Sugarcane may reduce the yield and area of wheat in Uttar Pradesh. Wheat is sown in 9.6 million hectares in Uttar Pradesh. Weather remains conducive in major wheat growing states.
- Stock in private hands is drying fast and bulk users have started sourcing wheat from central pool stock. We expect off take to increase from central pool stock in the weeks ahead. Private exporters too are active in port based states and analyzing possibility of sourcing wheat from M.P. and Rajasthan.
- Millers in Andhra Pradesh have started looking for govt.'s stock. However, they still have some edge over govt.'s stock when wheat is sourced from private traders. Wheat prices (FAQ) in Hyderabad is ruling around Rs 1990/Q. They get 4 percent cash discount. This brings prices down by Rs 80/Q, delivered at destination. They get credit for five days to one week. If assured quality is not delivered they have option to deduct price from actual trade.

International Market Update:

- The Australian Bureau of Agriculture and Resource Economics and Sciences (ABARES) forecast wheat production 7% more from previous forecast at 26.213 million tonnes, up from its previous estimate in September of 24.467 million tonnes due to improved weather conditions in west coast.
- According to IGC report Global wheat production is forecast has been increased by 2 million tonnes to 698 million tonnes owing to better crop prospects in US and China. Global consumption too is expected to increase from 690 million tonnes to 692 million tonnes.
- Global wheat trade is forecasted to remain unchanged at 142 million tonnes in 2013-14 and global carryover stocks are expected to fall to 181 million tonnes from 182 million tonnes, as per IGC reports.

Domestic market Outlook: Wheat is likely trade steady to slightly firm.

| NCDEX Wheat Futures | | | | | | | | | |
|---------------------|-----|------|------|------|-------|--------|--------|-------|--------|
| Contract | +/- | Open | High | Low | Close | Volume | Change | OI | Change |
| Dec-13 | -4 | 1667 | 1667 | 1661 | 1662 | 540 | 290 | 1,620 | -400 |
| Jan-14 | -4 | 1664 | 1664 | 1655 | 1661 | 660 | 470 | 1,160 | -170 |
| Feb-14 | -4 | 1626 | 1626 | 1626 | 1626 | 50 | -10 | 240 | 0 |

| Spread | Dec-13 | Jan-13 | Feb-14 | Mar-14 |
|---------------|--------|--------|--------|--------|
| Spot | 8 | | | |
| Dec-13 | | -1 | | |
| Jan-13 | | | -35 | |
| Feb-14 | | | | - |

| Stocks | Demat | In-Process | Total | FED |
|---------------|------------------|------------------|------------------|------------------|
| | 2.12.2013 | 2.12.2013 | 2.12.2013 | 2.12.2013 |
| Delhi | - | - | - | - |
| Itarsi | - | - | - | - |
| Kanpur | - | - | - | - |
| Kota | - | - | - | - |

Wheat (CBOT) On 2.12.2013(Bushels/Cent)

| Contract | Open | High | Low | Close | +/- |
|---------------|--------|--------|--------|--------|--------------|
| 13-Dec | 655.00 | 661.25 | 647.25 | 649.75 | -5.25 |
| 14-Mar | 668.75 | 674.75 | 660.50 | 661.75 | -7.00 |
| 14-May | 673.25 | 679.25 | 665.50 | 666.50 | -7.25 |
| 14-Jul | 669.75 | 675.00 | 662.50 | 663.50 | -7.25 |
| 14-Sep | 678.25 | 681.25 | 670.50 | 671.00 | -7.50 |
| 14-Dec | 689.00 | 693.00 | 680.00 | 681.00 | -7.50 |

Wheat Daily Prices and Arrivals on 3.12.2013

| Centre | Market | Variety | Prices (Rs/Qtl) | | Change |
|------------|----------------------------|---------------------|-----------------|-----------|-------------|
| | | | 12/3/2013 | 12/2/2013 | |
| New Delhi | Lawrence Road | Mill Delivery | 1655 | 1660 | -5 |
| | Narella | Mill Quality Loose | 1625 | 1670 | -45 |
| | Nazafgarh | Mill Quality Loose | 1625 | 1630 | -5 |
| Gujarat | Rajkot | Mill Delivery | 1725 | Closed | - |
| | Ahmedabad | Mill Delivery | 1790 | Closed | - |
| | Surat | Mill Delivery | 1810 | Closed | - |
| M.P. | Bhopal | Lokwan | Closed | Closed | - |
| | Indore | Mill Delivery | 1700 | Closed | - |
| Rajasthan | Kota | Mill Quality Loose | 1645 | Closed | - |
| | | Mill Delivery | 1720 | Closed | - |
| U.P. | Kanpur | Mill Delivery | 1675 | 1675 | Unch |
| | Mathura | Mill Quality Loose | 1565 | 1575 | -10 |
| | Kosi | Mill Quality Loose | 1620 | 1620 | Unch |
| | Hathras | Mill Quality Loose | 1550 | 1550 | Unch |
| Punjab | Khanna | Mill Quality Loose | 1520 | 1520 | Unch |
| | (Ludhiana)Jagraon | Mill Delivery | 1510 | 1510 | Unch |
| Haryana | Sirsa | Mill Delivery loose | 1550 | 1550 | Unch |
| | Hodal | Mill Delivery | 1700 | 1700 | Unch |
| | Karnal | Mill Delivery | - | - | - |
| | Bhiwani | Mill Quality Loose | 1680 | - | - |
| Tamil Nadu | Chennai | Mill Quality | 2035 | - | - |
| | Madurai | Mill Quality | 2092 | - | - |
| | Coimbatore | Mill Quality | 2092 | - | - |
| FOR | Kandla(Rajasthan-Kota) | Mill Quality | 1780 | - | - |
| | Gandhidham(Rajasthan-Kota) | Mill Quality | 1780 | - | - |

| Centre | Market | Variety | Arrivals (Bags/Qtl) | | Change |
|-----------|---------------|--------------------|---------------------|-----------|--------|
| | | | 12/3/2013 | 12/2/2013 | |
| New Delhi | Lawrence Road | Mill Delivery | - | - | - |
| | Narella | Mill Quality Loose | 300 | 250 | 50 |
| | Nazafgarh | Mill Quality Loose | 100 | 150 | -50 |
| Gujarat | Rajkot | Mill Quality Loose | 900 | Closed | - |
| | Ahmadabad | Mill Delivery | - | - | - |
| M.P. | Bhopal | Lokwan | - | - | - |
| | Indore | Mill Quality Loose | 700 | Closed | - |
| Rajasthan | Kota | Mill Quality | 6000 | Closed | - |
| U.P. | Kanpur | Mill Delivery | - | - | - |
| | Mathura | Mill Quality Loose | 700 | 400 | 300 |
| | Kosi | Mill Quality Loose | 100 | 100 | Unch |
| | Hathras | Mill Quality Loose | 200 | 200 | Unch |
| Punjab | Khanna | Mill Quality Loose | 500 | 500 | Unch |
| Haryana | Sirsa | Mill Quality Loose | 300 | 150 | 150 |
| | Hodal | Mill Quality Loose | 50 | 50 | Unch |
| | Panipat | Mill Quality Loose | - | - | - |
| | Karnal | Mill Quality Loose | - | - | - |
| | Bhiwani | Mill Quality Loose | 100 | - | - |

| Wheat Products Delhi | 12/3/2013 | 12/2/2013 | Change |
|------------------------------|-----------|-----------|--------|
| Atta (50kg) Ordinary | 965 | 965 | Unch |
| Maida Grade 1 (90kg) | 2112 | 2112 | Unch |
| Maida Grade 1 (50KG) | 1155 | 1155 | Unch |
| Suji (50kg) | 1180 | 1180 | Unch |
| Chokar (50 kg) | 748 | 748 | Unch |
| Chokar (34 kg) | 509 | 509 | Unch |
| Chakki Atta (50kg) | 985 | 985 | Unch |
| Chakki Atta (50kg) Special | 985 | 985 | Unch |
| Chakki Atta (90kg) Superfine | 1816 | 1816 | Unch |
| Chakki Atta (50kg) Superfine | 990 | 990 | Unch |

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