

Wheat Domestic Fundamentals:

- **Recent showers of rains are expected to boost yield of standing wheat crop.** Crop condition throughout major producing states is in good to excellent shape so far. Market participants have started talking around 100 million tonne crop size. Under current crop condition and favourable weather India can expect the best yield realized in 2011-12.
- **However, temperature in Feb-March would remain the crucial factor** for the final size of the crop. Wheat quality in Gujarat has been reported excellent this year and traders/exporters offered higher price for newly harvested crop, just started hitting into the market. Traders offered Rs 1720/Rs 1750 per qtl. for new crop. Some multinational companies have planned to store local wheat in Gujarat for export purpose. Market participants expect active buying by exporters by the end of this month.
- **According to IBIS (provisional data), export of wheat in the month of January** was 5.01 Lakh tones which is around 36% less than last year at the same month, which was 7.81 Lakh tones in December 2012.
- **Indian Exporters have entered in forward contract for March delivery at USD 265-266/MT** of Gujarat, Madhya Pradesh and Rajasthan origin wheat. For April delivery forward contracts have concluded at USD 262/MT, according to traders.
- **PSU's wheat export bid may further fall in coming tenders due to** recent harvest concluded in Australia and lower FOB there. Indian wheat export is becoming noncompetitive to Australian export as Australian FOB for Soft Wheat is hovering near USD 250-255/MT.

International Market Update:

- **USDA's latest global production estimate is 712.65 million T** for 2013-14 against 656.44 million T in 2012-13.
- **CBOT wheat futures firmed up as U.S cuts global and domestic stocks.** U.S reserve in May end 2014 is expected to decline to 15.18 million tonnes against January -2014 forecast of 16.5 million tonnes.
- **Export from U.S is expected to increase by 4.4 % in Feb-2014** from the outlook of Jan-2014.*Export are increasing on demand for hard red winter wheat due to smaller supply from Canada and Argentina.
- **Global inventory has been slashed down from 185.4 million tonnes** (Jan estimates) to 183.73 million tonnes.
- **However, it would be very crucial to see how the crop emerges** from winter dormancy next month(March). It would set the ultimate trend.

Domestic market Outlook: Cash wheat market is likely to trade steady in the short term.

NCDEX Wheat Futures

Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Feb-14	1	1676	1676	1676	1676	20	-420	440	-110
Mar-14	0	1614	1614	1612	1613	80	-55	5210	220
Apr-14	2	1546	1546	1540	1540	30	-1260	7520	230

Spread	Feb-14	Mar-14	Apr-14	May-14
Spot	10			
Feb-14		-64		
Mar-14			-73	
Apr-14				-

Stocks	Demat	In-Process	Total	FED
	14.2.2014	14.2.2014	14.2.2014	10.02.2014
Delhi	101	0	101	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	-	-	-	-

Wheat (CBOT) On 14.02.2014(Bushels/Cent)

Contract	Open	High	Low	Close	+/-
14-Mar	595.25	603.00	594.50	598.50	3.00
14-May	593.00	600.00	592.50	596.25	2.25
14-Jul	596.75	603.5	596.50	600.50	3.00
14-Sep	608.75	611.75	606.25	608.75	2.50
14-Dec	617.50	624	617.5	621.00	2.25
15-Mar	629.75	632.5	628.25	630.25	2.00

Wheat Daily Prices and Arrivals on 15.02.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			15-Feb-14	14-Feb-14	
Delhi					
	Lawrence Road	Mill Delivery	1640	1645	-5
	Narella	Mill Quality Loose	NA	NA	-
	Nazafgarh	Mill Quality Loose	NA	NA	-
Gujarat	Rajkot	Mill Delivery	1700	1690	10
	Ahmedabad	Mill Delivery	1770	1770	Unch
	Surat	Mill Delivery	1790	1790	Unch
M.P.	Bhopal	Lokwan	1750	NA	-
	Indore	Mill Delivery	1700	NA	-
Rajasthan	Kota	Mill Quality Loose	1620	1600	20
		Mill Delivery	1690	1680	10
U.P.	Kanpur	Mill Delivery	1700	1700	Unch
	Mathura	Mill Quality Loose	1620	1615	5
	Kosi	Mill Quality Loose	1600	NA	-
	Hathras	Mill Quality Loose	NA	NR	-
Punjab	Khanna	Mill Quality Loose	1605	1605	Unch
	(Ludhiana)Jagraon	Mill Delivery	1640	1640	Unch
Haryana	Sirsa	Mill Delivery loose	1575	1575	Unch
	Hodal	Mill Delivery	1645	1645	Unch
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1625	1625	Unch
Tamil Nadu	Chennai	Mill Quality	1980	1980	Unch
	Madurai	Mill Quality	2037	2037	Unch
	Coimbatore	Mill Quality	2037	2037	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality	NA	NA	-
	Gandhidham(Rajasthan-Kota)	Mill Quality	NA	NA	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			15-Feb-14	14-Feb-14	
Delhi					
	Lawrence Road	Mill Delivery	NA	NA	-
	Narella	Mill Quality Loose	NA	NA	-
	Nazafgarh	Mill Quality Loose	NA	NA	-
Gujarat	Rajkot	Mill Quality Loose	1600	800	800
	Ahmadabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	3000	NA	-
Rajasthan	Kota	Mill Quality	2500	3000	-500
U.P.	Kanpur	Mill Quality Loose	600	400	200
	Mathura	Mill Quality Loose	50	100	-50
	Kosi	Mill Quality Loose	50	NA	-
	Hathras	Mill Quality Loose	NA	NA	-
Punjab	Khanna	Mill Quality Loose	500	600	-100
Haryana	Sirsa	Mill Quality Loose	100	100	Unch
	Hodal	Mill Quality Loose	100	50	50
	Panipat	Mill Quality Loose	NA	NA	-
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	150	100	50

Wheat Products Delhi	15-Feb-14	14-Feb-14	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)	683	708	-25
Chokar (34 kg)	484	497	-13
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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