

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	-3	1613	1620	1611	1612	220	-20	5,280	30
Mar-14	-2	1535	1542	1535	1542	150	-80	7,720	80
Apr-14	-3	1536	1540	1536	1540	60	-140	2,450	0

Spread	Feb-14	Mar-14	Apr-14	May-14
Spot	23			
Mar-14		-70		
Apr-14			-2	
May-14				-

Stocks	Demat	In-Process	Total	FED
	15.2.2014	15.2.2014	15.2.2014	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 17.02.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			17-Feb-14	15-Feb-14	
Delhi					
	Lawrence Road	Mill Delivery	1635	1640	-5
	Narella	Mill Quality Loose	1550	NA	-
	Nazafgarh	Mill Quality Loose	1630	NA	-
Gujarat	Rajkot	Mill Delivery	1700	1700	Unch
	Ahmedabad	Mill Delivery	1750	1770	-20
	Surat	Mill Delivery	1770	1790	-20
M.P.	Bhopal	Lokwan	1700	1750	-50
	Indore	Mill Delivery	1700	1700	Unch
Rajasthan	Kota	Mill Quality Loose	NR	1620	-
		Mill Delivery	NR	1690	-
U.P.	Kanpur	Mill Delivery	1700	1700	Unch
	Mathura	Mill Quality Loose	1610	1620	-10
	Kosi	Mill Quality Loose	1600	1600	Unch
	Hathras	Mill Quality Loose	NR	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	NR	1645	-
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1600	1625	-25
Tamil Nadu	Chennai	Mill Quality	NR	1980	-
	Madurai	Mill Quality	NR	2037	-
	Coimbatore	Mill Quality	NR	2037	-
FOR	Kandla(Rajasthan-Kota)	Mill Quality	NR	NA	-
	Gandhidham(Rajasthan-Kota)	Mill Quality	NR	NA	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			17-Feb-14	15-Feb-14	
Delhi					
	Lawrence Road	Mill Delivery	NA	NA	-
	Narella	Mill Quality Loose	200	NA	-
	Nazafgarh	Mill Quality Loose	100	NA	-
Gujarat	Rajkot	Mill Quality Loose	1800	1600	200
	Ahmadabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	1000	3000	-2000
Rajasthan	Kota	Mill Quality	NR	2500	-
U.P.	Kanpur	Mill Quality Loose	600	600	Unch
	Mathura	Mill Quality Loose	200	50	150
	Kosi	Mill Quality Loose	200	50	150
	Hathras	Mill Quality Loose	NR	NR	-
Punjab	Khanna	Mill Quality Loose	300	500	-200
Haryana	Sirsa	Mill Quality Loose	200	100	100
	Hodal	Mill Quality Loose	NR	100	-
	Panipat	Mill Quality Loose	NA	NA	-
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	100	150	-50

Wheat Products Delhi	17-Feb-14	15-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)	678	683	-5
Chokar (34 kg)	482	484	-2
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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