

Wheat Domestic Fundamentals:

- **Global wheat market has firmed up in last one month and downward correction** is unlikely at this point of time. Improved price in major exporting nations and the tax imposition on Russian export may go in favor of Indian wheat export in the months ahead. Export volume from India may increase now. However, Tough Challenge from EU, who supplies cheaper wheat at this point of time, lays ahead India. Wheat price in international market has increased by 20 percent in last one and a half month on increasing concern on Russian supply.
- **Indonesia, Vietnam, Malaysia and Bangladesh may resume buying from India** due to freight advantage over European cargoes. Southeast Asian buyers pay a freight rate of \$12-\$15 a tonne to get wheat from India against \$30 to get grain from Ukraine. India may start issuing tenders to sell wheat from reserves from February. Government stocks were at 25.1 million tonnes as of January 1, more than 2 times of required quantity.
- **In the export market, Indian wheat was offered by private traders at \$275/76 per tonne** free on board, while French wheat was sold at \$248.94-250.25 recently. Australian standard wheat is at \$270 and Ukraine milling wheat is available for \$265. Due to freight advantage India has good chance to offload wheat in the international market in bulk volume.
- **Wheat stock in govt.'s granary on 01st January was recorded at 25.11 million tonne** against 27.20 million tonne on 1st December, 2014. India needs 8.2 million tonne wheat as buffer stock and 3 million tonne as strategic reserve as on 1st January, 2014. Actual holding with govt. is at comfortable stage and supply side would be ample throughout the season.
- **According to IBIS (provisional data), export of wheat in the month of December** was 0.89 Lakh tones which is around 76% less than last year at the same month, which was 3.83 Lakh tones in 2013. The reason behind the lower export is attributed to disparity from other exporting countries like U.S.A., Russia and Ukraine.

International Market Update:

- **Ukraine's Agriculture Ministry suggested traders to limit milling wheat exports** at 2 Lakh tones per month in January and February to keep as much wheat in stock as possible because it was uncertain how much the next harvest (in July) would yield. February exports of wheat from Ukraine ranged from 1.88 Lakh tonnes to 446,000 Lakh tonnes in the previous three years, with milling wheat comprising about half the total.
- **Russia besides imposing tax on wheat exports that amount to 15 percent** of the customs price plus 7.5 euros and will be no less than 35 euros (\$41) per tonne from Feb 01, 2015 until June 30, 2015 also taking informal measures to restrict wheat export like tougher and longer quality check and delays on getting the final documents needed from ports for loaded ships to set sail. Due to these informal restrictions traders are facing more problems to meet their contracts before the introduction of an export tax.
- **A cold snap across the United States raised concerns about damage** to the dormant winter wheat crop in many states, particularly in Illinois where the crop was hobbled by planting delays and USDA rated 24 percent of the wheat crop as good to excellent down from 56 percent. In Kansas, the top winter wheat producer, USDA said 49 percent of the crop was rated good to excellent, down from 61 percent.

Domestic market Outlook:

Wheat cash market is likely to trade steady to slightly weak.

NCDEX Wheat Futures								Date:16:01:2015	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Jan-15	-5	1685	1685	1685	1685	100	90	1,710	0
Feb-15	-19	1681	1681	1660	1662	1,230	-60	2,880	30
Mar-15	-20	1699	1699	1619	1623	800	490	2,180	130

Spread	Oct-14	Nov-14	Dec-14	
Spot				
Jan-15	-25			
Feb-15		-23		
Mar-15			-39	

Stocks	Demat	In- Process	Total	FED
	16.1.2015	16.1.2015	16.1.2015	5.1.2015
Delhi	320	101	421	159
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	-	-	-	864
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 15.01.15 (USD/T)							
CONTRACT MONTH	15 Jan 15	Week ago (12 Jan 2015)	1 Month ago (19 Dec 14)	3 Month ago (20 Oct 14)	6 Month ago (21 July 14)	1 Year ago (21 Jan 14)	% Change over previous year
15-Mar	195.73	204.09	232.29	193.34	212.08	223.29	-12.34
15-May	196.83	205.74	233.30	195.64	217.68	223.84	-12.06
15-Jul	198.40	207.49	233.02	198.03	222.55	221.45	-10.41
15-Sep	201.15	209.88	235.60	201.70	226.96	223.93	-10.17
15-Dec	205.47	213.92	239.09	206.57	232.47	226.96	-9.47
16-Mar	207.76	215.94	241.01	210.15	235.96	229.35	-9.41

Wheat Daily Prices and Arrivals on 17.1.2015

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			17-Jan-15	16-Jan-15	
New Delhi					
	Lawrence Road	Mill Delivery	1650	1660	-10
	Narella	Mill Quality(Loose)	1590	1590	Unch
	Nazafgarh	Mill Quality(Loose)	1640	1625	15
Gujarat	Rajkot	Mill Delivery	1730	1730	Unch
	Ahmedabad	Mill Delivery	1760	1760	Unch
	Surat	Mill Delivery	1790	1800	-10
Madhya Pradesh	Bhopal	Lokwan	1760	1750	10
	Indore	Mill Delivery	1690	1690	Unch
Rajasthan	Kota	Mill Quality(Loose)	1580	1580	Unch
		Mill Delivery	1670	1670	Unch
Uttar Pradesh	Kanpur	Mill Delivery	1585	1585	Unch
	Mathura	Mill Quality(Loose)	1625	1625	Unch
	Kosi	Mill Quality(Loose)	1630	1650	-20
	Hathras	Mill Quality(Loose)	NR	1600	-

	Aligarh	Mill Quality(Loose)	NA	NA	-
Punjab	Khanna	Mill Quality(Loose)	1550	1525	25
	(Ludhiana)Jagraon	Mill Delivery	1560	1560	Unch
Haryana	Sirsa	Mill Quality(Loose)	1505	1500	5
	Hodal	Mill Delivery	1680	1680	Unch
	Bhiwani	Mill Quality(Loose)	1625	1625	Unch
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality(Loose)	NA	NA	-
Tamil Nadu	Chennai	Mill Quality(Loose)	1850	1850	Unch
	Madurai	Mill Quality(Loose)	1907	1907	Unch
	Coimbatore	Mill Quality(Loose)	1907	1907	Unch
Bihar	Sitamari	Mill Delivery	Closed	1520	-
	Khagariya	Mill Delivery	1850	1850	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality(Loose)	1725	1725	Unch
	Gandhidham(Rajasthan-Kota)	Mill Quality(Loose)	1725	1725	Unch

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
New Delhi			17-Jan-15	16-Jan-15	
	Lawrence Road	Mill Delivery	NA	NA	-
	Narella	Mill Quality(Loose)	200	150	50
	Nazafgarh	Mill Quality(Loose)	100	75	25
Gujarat	Rajkot	Mill Quality(Loose)	800	1000	-200
	Ahmedabad	Mill Delivery	NA	NA	-
Madhya Pradesh	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality(Loose)	500	500	Unch
Rajasthan	Kota	Mill Quality(Loose)	1500	2000	-500
Uttar Pradesh	Kanpur	Mill Delivery	400	400	Unch
	Mathura	Mill Quality(Loose)	150	150	Unch
	Kosi	Mill Quality(Loose)	150	100	50
	Hathras	Mill Quality(Loose)	NR	150	-
	Aligarh	Mill Quality(Loose)	NA	NA	-
Punjab	Khanna	Mill Quality(Loose)	500	500	Unch
	(Ludhiana)Jagraon	Mill Quality(Loose)	NA	NA	-
Haryana	Sirsa	Mill Quality(Loose)	200	200	Unch
	Hodal	Mill Quality(Loose)	50	50	Unch
	Bhiwani	Mill Quality(Loose)	200	200	Unch
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality(Loose)	NA	NA	-

Wheat Products Delhi		17-Jan-15	16-Jan-15	Change
Atta (50kg) Ordinary		935	935	Unch
Maida Grade 1 (90kg)		2202	2202	Unch



Maida Grade 1 (50KG)	1205	1205	Unch
Suji (50kg)	1230	1230	Unch
Chokar (50 kg)	748	748	Unch
Chokar (34 kg)	505	505	Unch
Chakki Atta (50kg)	1015	1015	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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