

Wheat Domestic Fundamentals:

- **Wheat crop in major growing regions has been satisfactory so far** under favorable weather condition except Doaba region of Punjab and Karnal in Haryana, where news regarding spreading of yellow rust is surfacing on ground. As temperature remains at lower level at night and lack of sunshine in day may create congenial condition for yellow rust spread in Muktsar and Faridkot. Farmers in these areas, who have not adopted resistance varieties, need to be careful for next two-three weeks.
- **In some major growing area of Punjab and Haryana wheat leaves have turned pale** due to chill and foggy weather. Next two to three weeks are very crucial for ensuring better growth of the standing crop. Agriculture department expects better weather condition in the weeks ahead. Recent rains have increased hope of sunny days ahead and it hints towards bumper crop once again.
- **Cash wheat market stays steady to slightly weak this week** and is expected to trade range bound in the weeks ahead. Demand for wheat in domestic market is normal against adequate supply from central pool stock and private stockiest. Two - three holidays from Saturday will keep market activities at lower ebb and market may move range bound.
- **Wheat crop is in good condition throughout the growing regions** and bumper production seems into the cards. Crop size may cross 96 million tonne in normal condition. Ample stock in govt's granary, better production prospects and lower export demand would remain price limiting factors for wheat market in the rest week of Season.
- **According to IBIS, export of wheat in the third week of January** (12-18 Jan) was around 32.713 Thousand Mt. The major export destination of Indian wheat was Bangladesh from Kandla port which accounted 31.50 thousand MT at an average FOB price of \$281.05/Tn .Other countries were UAE and Malaysia.
- **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.

International Market Update:

- **Algeria's state grains agency OAIC bought around 2.50 – 3.50 tonnes of milling wheat** at an average price of \$256/tonne (CiF) which has to be delivered in May. The origin is optional but it may come from France and Germany, according to a trader.
- **Russia might consider banning the wheat exports** if informal trade restrictions already in place fail to benefit the economy as hoped as per a senior minister of Russia. Russia has imposed tougher quality monitoring and higher export tax on wheat as domestic prices of wheat is higher. It last banned wheat exports in 2010 after a drought.
- **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.

Domestic market Outlook:

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

NCDEX Wheat Futures								Date:22:01:2015	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Feb-15	-14	1677	1677	1641	1654	380	230	3,160	-10
Mar-15	-7	1621	1629	1621	1622	140	-220	2,540	0
Apr-15	-10	1533	1533	1530	1530	60	50	240	10

Spread	Oct-14	Nov-14	Dec-14	
Spot				
Feb-15	6			
Mar-15		-32		
Apr-15			-92	

Stocks	Demat	In- Process	Total	FED
	21.1.2015	21.1.2015	21.1.2015	19.1.2015
Delhi	674	0	674	421
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	-	-	-	-
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 21.01.15 (USD/T)							
CONTRACT MONTH	21 Jan 15	Week ago (15 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	197.20	195.73	232.29	193.34	212.08	223.29	-11.68
15-May	198.40	196.83	233.30	195.64	217.68	223.84	-11.37
15-Jul	199.68	198.40	233.02	198.03	222.55	221.45	-9.83
15-Sep	202.53	201.15	235.60	201.70	226.96	223.93	-9.56
15-Dec	206.66	205.47	239.09	206.57	232.47	226.96	-8.94
16-Mar	208.96	207.76	241.01	210.15	235.96	229.35	-8.89

Wheat Daily Prices and Arrivals on 22.1.2015

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			22-Jan-15	21-Jan-15	
Delhi	Lawrence Road	Mill Delivery	1660	1655	5
	Narella	Mill Quality Loose	NA	Closed	-
	Nazafgarh	Mill Quality Loose	1625	Closed	-
Gujarat	Rajkot	Mill Delivery	1715	1725	-10
	Ahmedabad	Mill Delivery	1740	1750	-10
	Surat	Mill Delivery	1780	1790	-10
M.P.	Bhopal	Lokwan	1650	1650	Unch
	Indore	Mill Delivery	1650	1690	-40
Rajasthan	Kota	Mill Quality Loose	1580	1570	10
		Mill Delivery	1680	1670	10
U.P.	Kanpur	Mill Delivery	1585	1580	5
	Mathura	Mill Quality Loose	1600	1600	Unch
	Kosi	Mill Quality Loose	1630	1630	Unch
	Hathras	Mill Quality Loose	1625	1625	Unch
	Aligarh	Mill Quality Loose	NA	Closed	-

Punjab	Khanna	Mill Quality Loose	1540	1540	Unch
	(Ludhiana).Jagraon	Mill Delivery	1560	1560	Unch
Haryana	Sirsa	Mill Delivery loose	1510	1505	5
	Hodal	Mill Delivery	1680	1680	Unch
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1625	1625	Unch
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1850	1850	Unch
	Madurai	Mill Quality	1907	1907	Unch
	Coimbatore	Mill Quality	1907	1907	Unch
Bihar	Sitamari	Mill Delivery	NA	1520	-
	Khagariya	Mill Delivery	1850	1850	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1725	1725	Unch
	Gandhidham(Rajasthan-Kota)	Mill Quality	1725	1725	Unch

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			22-Jan-15	21-Jan-15	
	Lawrence Road	Mill Delivery	NA	NA	-
	Narella	Mill Quality Loose	NA	Closed	-
	Nazafgarh	Mill Quality Loose	100	Closed	-
Gujarat	Rajkot	Mill Quality Loose	1400	800	600
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	300	300	Unch
Rajasthan	Kota	Mill Quality	3000	5000	-2000
U.P.	Kanpur	Mill Quality Loose	400	500	-100
	Mathura	Mill Quality Loose	NA	150	-
	Kosi	Mill Quality Loose	NA	100	-
	Hathras	Mill Quality Loose	NA	250	-
	Aligarh	Mill Quality Loose	NA	Closed	-
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana).Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	100	200	-100
	Hodal	Mill Quality Loose	NA	50	-
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	200	200	Unch
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	22-Jan-15	21-Jan-15	Change
Atta (50kg) Ordinary	965	965	Unch
Maida Grade 1 (90kg)	2202	2202	Unch
Maida Grade 1 (50KG)	1205	1205	Unch
Suji (50kg)	1230	1230	Unch
Chokar (50 kg)	743	743	Unch
Chokar (34 kg)	499	499	Unch
Chakki Atta (50kg)	1015	1015	Unch
Chakki Atta (50kg) Special	NA	NA	-
Chakki Atta (90kg) Superfine	1861	1861	Unch
Chakki Atta (50kg) Superfine	NA	NA	-

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