

Wheat Domestic Fundamentals:

- **Wheat cash markets in India trades range bound and any jump from current level** is unlikely due to smooth supply side from central pool stock and virtually negligible demand for export. Besides, crop condition is satisfactory so far and better yield is expected this year on the back of favorable weather condition throughout the growing regions.
- **According to IBIS, export of wheat in the fourth week of January (19-23 Jan)** was around 1138 MT. The major export destination of Indian wheat was China from Mundra port which accounted 648 MT at an average FOB price of \$309.95/Tn .Other countries were UAE and Jordan.
- **As of now Wheat area has slightly decreased by around 3%** in comparison to last year till date .As per latest update by agriculture ministry wheat coverage during 2014-15 has been registered at 305.6 lakh hectares against corresponding period of 2013-14(313.69 lakh hectares).
- **The global wheat market gained in recent weeks considerably** on the back of likely imposition of export tax by Russia from 1st February, 2015. Besides, weather concern also lent support to global wheat market in recent days. Prices moved from around \$250 to \$280 per tonne in last one month. Recent gains in global wheat market have provided export opportunity for India once again. However cheaper supply from EU and prevailing higher prices in domestic market remain a major constraint for Indian exporters.
- **Wheat stock in govt.'s granary on 15th January** was recorded at 24.01 million tonne against 25.11 on 01st January. 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.
- **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.

International Market Update:

- **Tunisia continues to buy wheat to meet its requirement.** Its grain agency has invited international tender for 1.17 lakh tonne for soft milling wheat. European trades have said that delivery for this wheat is sought in March and April. More tenders is expected in mid Feb-2015.Timing of delivery may vary depending on sourcing countries.
- **The Ukrainian government and traders have agreed that no more than 1.2 million tonnes** of Ukrainian milling wheat will be exported between Jan. 1 and June 30.The volume will fulfill all their export obligations in which sales of milling wheat will not exceed 900,000 tonnes in the first quarter in 2015 and 300,000 in the following three months.
- **They have taken this decision as Ukraine wheat demand will increase** and their domestic prices as well as Russia has restrained their wheat export. Ukraine harvested a record 24.1 million tonnes of wheat in 2014 and its domestic consumption does not exceed 12 million tones therefore the agreed memorandum will not allow wheat exports to exceed 12.8 million tonnes this season, which runs from July to June as they have exported around 8.5 million tonnes of wheat so far this season.
- **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.

Domestic market Outlook: Wheat cash market is likely to move range bound.

NCDEX Wheat Futures								Date:03:02:2015	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Feb-15	13	1669	1674	1663	1674	630	420	3,130	-160
Mar-15	2	1637	1643	1637	1643	90	-90	2,810	10
Apr-15	0	1535	1535	1515	1534	30	-40	440	10

Spread	Feb-15	Mar-15	Apr-15	
Spot Delhi				
Feb-15	-9			
Mar-15		-31		
Apr-15			-109	

Stocks	Demat	In- Process	Total	FED
	02.2.2015	02.2.2015	02.2.2015	02.2.2015
Delhi	674	0	674	674
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	-	-	-	-
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 27.01.15 (USD/T)							
CONTRACT MONTH	30-Jan-15	Week ago (21 Jan 2015)	1 Month ago (29 Dec 14)	3 Month ago (27 Oct 14)	6 Month ago (28 July 14)	1 Year ago (27 Jan 14)	% Change over previous year
15-Mar	189.74	197.2	226.13	197.11	213.18	222.83	-14.43
15-May	191.25	198.4	227.42	199.87	218.51	223.2	-13.91
15-Jul	193.04	199.68	227.88	202.71	222.64	220.44	-11.88
15-Sep	196.15	202.53	230.45	206.39	227.05	222.74	-11.38
15-Dec	201.6	206.66	234.22	210.89	232.84	226.13	-10.8
16-Mar	203.51	208.96	235.69	214.29	236.24	228.52	-10.69

Wheat Daily Prices and Arrivals on 03.2.2015

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			3-Feb-15	02-Feb-15	
Delhi	Lawrence Road	Mill Delivery	1665	1665	Unch
	Narella	Mill Quality Loose	1590	1600	-10
	Nazafgarh	Mill Quality Loose	1620	1615	5
Gujarat	Rajkot	Mill Delivery	1650	1660	-10
	Ahmedabad	Mill Delivery	1730	1740	-10
	Surat	Mill Delivery	1760	1765	-5
M.P.	Bhopal	Lokwan	1625	Closed	-
	Indore	Mill Delivery	1575	Closed	-
Rajasthan	Kota	Mill Quality Loose	1525	1520	5
		Mill Delivery	1600	1600	Unch
U.P.	Kanpur	Mill Delivery	1565	1570	-5
	Mathura	Mill Quality Loose	1575	1630	-55
	Kosi	Mill Quality Loose	1600	1600	Unch
	Hathras	Mill Quality Loose	NR	NR	-
	Aligarh	Mill Quality Loose	1550	1575	-25
Punjab	Khanna	Mill Quality Loose	1520	1530	-10

	(Ludhiana)Jagraon	Mill Delivery	1560	1560	Unch
Haryana	Sirsa	Mill Delivery loose	1510	1515	-5
	Hodal	Mill Delivery	1680	1680	Unch
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1620	1600	20
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1825	1825	Unch
	Madurai	Mill Quality	1882	1882	Unch
	Coimbatore	Mill Quality	1882	1882	Unch
Bihar	Sitamari	Mill Delivery	1525	Closed	-
	Khagariya	Mill Delivery	1750	1750	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			3-Feb-15	2-Feb-15	
	Lawrence Road	Mill Delivery	NA	NA	-
	Narella	Mill Quality Loose	50	100	-50
	Nazafgarh	Mill Quality Loose	50	150	-100
Gujarat	Rajkot	Mill Quality Loose	800	1100	-300
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	Closed	-
	Indore	Mill Quality Loose	500	Closed	-
Rajasthan	Kota	Mill Quality	4000	4000	Unch
U.P.	Kanpur	Mill Quality Loose	500	400	100
	Mathura	Mill Quality Loose	300	100	200
	Kosi	Mill Quality Loose	200	200	Unch
	Hathras	Mill Quality Loose	NR	NR	-
	Aligarh	Mill Quality Loose	100	50	50
Punjab	Khanna	Mill Quality Loose	800	350	450
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	50	200	-150
	Hodal	Mill Quality Loose	100	50	50
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	200	200	Unch
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	3-Feb-15	2-Feb-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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