

### Wheat Domestic Fundamentals:

- **New wheat crop in Swarashtra region of Gujarat is expected to hit the market** by 20th February followed by Madhya Pradesh wheat. New arrival, lower export demand and continuous wheat release from central pool stock would not allow market to go for any bull run. However, wheat crop size in Gujarat is smaller and it would not impact wheat prices in other states.
- **Wheat crop in major growing region in India is in good condition** and recent rains in Punjab, especially in Faridkot and Bathinda region have benefited the late shown crop and it would ensure better growth for standing crop. Recent rainfall has given much needed respite to the wheat farmers in the region, they can apply fertilizers like urea to the wheat crop without irrigation. Moisture level in field has increased and there is no need of canal irrigation immediately.
- **According to IBIS, export of wheat in the fifth week of January (26 Jan-01 Feb)** was around 1313 MT. The major export destination of Indian wheat was UAE from Mundra port which accounted 688 MT at an average FOB price of \$302.10/Tn .Other countries were Malaysia and China.
- **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.
- **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.

### 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:05:02:2015	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Feb-15	0	1654	1673	1642	1670	1,890	950	2,410	-260
Mar-15	-6	1638	1638	1616	1631	780	560	3,340	430
Apr-15	-11	1539	1539	1506	1515	250	190	540	80

Spread	Feb-15	Mar-15	Apr-15	
Spot Delhi				
Feb-15	-5			
Mar-15		-39		
Apr-15			-116	

Stocks	Demat	In- Process	Total	FED
	04.2.2015	04.2.2015	04.2.2015	02.2.2015
Delhi	674	0	674	674
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	-	-	-	-
Rajkot	-	-	-	-

### Wheat (CBOT) Future:

CBOT Futures Prices: Date: 03.02.15 (USD/T)							
CONTRACT MONTH	03 Feb 15	Week ago (27 Jan 2015)	1 Month ago (05 Jan 15)	3 Month ago (06 Nov 14)	6 Month ago (06 Aug 14)	1 Year ago (06 Feb 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 05.2.2015

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			5-Feb-15	04-Feb-15	
Delhi					
	Lawrence Road	Mill Delivery	1665	1665	Unch
	Narella	Mill Quality Loose	1600	Closed	-
	Nazafgarh	Mill Quality Loose	1620	Closed	-
Gujarat	Rajkot	Mill Delivery	1630	1650	-20
	Ahmedabad	Mill Delivery	1710	1760	-50
	Surat	Mill Delivery	1750	1780	-30
M.P.	Bhopal	Lokwan	1630	1630	Unch
	Indore	Mill Delivery	1575	1575	Unch
Rajasthan	Kota	Mill Quality Loose	1520	1525	-5
		Mill Delivery	1620	1600	20
U.P.	Kanpur	Mill Delivery	1565	1565	Unch
	Mathura	Mill Quality Loose	1600	1600	Unch
	Kosi	Mill Quality Loose	1600	1600	Unch
	Hathras	Mill Quality Loose	1580	1590	-10

	Aligarh	Mill Quality Loose	1500	Closed	-
Punjab	Khanna	Mill Quality Loose	1530	1530	Unch
	(Ludhiana)Jagraon	Mill Delivery	1560	1560	Unch
Haryana	Sirsa	Mill Delivery loose	1510	1510	Unch
	Hodal	Mill Delivery	1680	1680	Unch
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1620	1620	Unch
	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	NR	1525	-
	Khagariya	Mill Delivery	1750	NR	-
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1700	1725	-25
	Gandhidham(Rajasthan-Kota)	Mill Quality	1700	1725	-25

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			5-Feb-15	4-Feb-15	
	Lawrence Road	Mill Delivery	NA	NA	-
	Narella	Mill Quality Loose	200	Closed	-
	Nazafgarh	Mill Quality Loose	50	Closed	-
Gujarat	Rajkot	Mill Quality Loose	1500	1200	300
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	500	500	Unch
Rajasthan	Kota	Mill Quality	3000	3000	Unch
U.P.	Kanpur	Mill Quality Loose	500	400	100
	Mathura	Mill Quality Loose	200	300	-100
	Kosi	Mill Quality Loose	150	150	Unch
	Hathras	Mill Quality Loose	250	200	50
	Aligarh	Mill Quality Loose	200	Closed	-
Punjab	Khanna	Mill Quality Loose	900	800	100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	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	5-Feb-15	4-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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