

Wheat Daily Report 09 February, 2015

Wheat Domestic Fundamentals:

- According to IBIS (provisional data), export of wheat in the month of January was 0.35 Lakh tones which is around 93% less than last year at the same month, which was 5.65 Lakh tones in 2014. The reason behind the lower export is attributed to disparity from other exporting countries like U.S.A., EU and Australia.
- New wheat crop in Swarastra 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.
- 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:07:02:2015							07:02:2015		
Contract	+/-	Open	High	Low	Close	Volume	Change	ΟΙ	Change
Feb-15	-	-	-	-	-	-	-	-	-
Mar-15	-	-	-	-	-	-	-	-	-
Apr-15	-	-	-	-	-	-	-	-	-



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Spread	Feb-15	Mar-15	Apr-15	
Spot Delhi				
Feb-15				
Mar-15				
Apr-15				

Stocks	Demat	In- Process	Total	FED
	06.2.2015	06.2.2015	06.2.2015	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 07.2.2015

Centre	Market	Variety	Prices	s (Rs/Qtl)	Change
			7-Feb-15	06-Feb-15	
Delhi	Lawrence Road	Mill Delivery	Closed	1680	-
Denn	Narella	Mill Quality Loose	Closed	1610	-
	Nazafgarh	Mill Quality Loose	Closed	1615	-
	Rajkot	Mill Delivery	1610	1610	Unch
Gujarat	Ahmedabad	Mill Delivery	1680	1690	-10
	Surat	Mill Delivery	1730	1730	Unch
M.P.	Bhopal	Lokwan	1625	1650	-25
IVI.F.	Indore	Mill Delivery	1610 1610 1680 1690 1730 1730 1625 1650 1575 1575 1500 1500 1600 1600	Unch	
Rajasthan	Kata	Mill Quality Loose	1500	1500	Unch
RajaStriari	Kota	Mill Delivery	1600	1600	Unch
	Kanpur	Mill Delivery	1570	1570	Unch
U.P.	Mathura	Mill Quality Loose	1550	1575	-25
0.7.	Kosi	Mill Quality Loose	1580	1600	-20
	Hathras	Mill Quality Loose	1570	1570	Unch



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	Aligarh	Mill Quality Loose	1500	1500	Unch
Punjab	Khanna	Mill Quality Loose	1530	1530	Unch
Funjab	(Ludhiana)Jagraon	Mill Delivery	1560	1560	Unch
	Sirsa	Mill Delivery loose	1515	1515	Unch
	Hodal	Mill Delivery	1680	1680	Unch
Haryana	Karnal	Mill Delivery	NA	NA	-
-	Bhiwani	Mill Quality Loose	1610	1620	-10
	Panipat	Mill Quality Loose	NA	NA	-
	Chennai	Mill Quality	1800	1800	Unch
Tamil Nadu	Madurai	Mill Quality	1857	1857	Unch
	Coimbatore	Mill Quality	1857	1857	Unch
Bihar	Sitamari	Mill Delivery	Closed	NR	-
Dinar	Khagariya	Mill Delivery	1750	1750	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1700	1700	Unch
FUR	Gandhidham(Rajasthan-Kota)	Mill Quality	1700	1700	Unch

Centre	Market	Variety	Arrivals	(Bags/Qtl)	Change
			7-Feb-15	6-Feb-15	
Delhi	Lawrence Road	Mill Delivery	Closed	NA	-
Deim	Narella	Mill Quality Loose	Closed	150	-
	Nazafgarh	Mill Quality Loose	Closed	50	-
Guiarat	Rajkot	Mill Quality Loose	1000	1600	-600
Gujarat –	Ahmedabad	Mill Delivery	NA	NA	-
M.P	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	500	400	100
Rajasthan	Kota	Mill Quality	2500	3000	-500
	Kanpur	Mill Quality Loose	400	400	Unch
	Mathura	Mill Quality Loose	125	150	-25
U.P.	Kosi	Mill Quality Loose	200	200	Unch
Γ	Hathras	Mill Quality Loose	NA	350	-
Γ	Aligarh	Mill Quality Loose	100	150	-50
Bunich	Khanna	Mill Quality Loose	700	800	-100
Punjab –	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	100	60	40
Haryana	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	200	200	Unch
	Panipat	Mill Quality Loose	NA	NA	-



Wheat Products Delhi	7-Feb-15	6-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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