

Wheat Domestic Fundamentals:

- According to IBIS, export of Indian wheat in the first week of February (02-08 Feb) was around 958 MT at an average FoB price of \$316.34/tonne. The major export destination of Indian wheat was UAE from Mundra port which accounted 306 MT at an average FOB price of \$305.96.10/Tn .Other major countries were Philippines and Taiwan.
- **Wheat stock in central pool was registered at 220.14 Lakh tonne** against the required buffer norm of 74.60 Lakh tonne as on 1st April, 2015. The government has revised its buffer norms for wheat and rice on 22.01 2015. Agriwatch expects three million tonne more off take from central pool stock by the end of March, 2015. This means the new season would start with 19 million tonne wheat carry out. As bumper crop is on the card this season government would easily meet procurement target of 30 million tonne. As crop size is expected to be larger, supply side would remain at comfortable level.
- 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 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.
- **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.

International Market Update:

- South Korean Flour Miller CJ Cheiljedang Corporation had purchased different types of wheat from U.S. and Australia as per their requirement. They had purchased 47,000 tonnes of U.S. wheat at an average FoB price of \$302.36/ tonne for June shipment and 50,000 tonnes of Australian wheat at an average FoB price of \$252.17/ tonne for July shipment.
- **Australia raises its wheat production estimate around 2%** from its December estimate of 23.22 million tonnes to 23.61 million tonnes. It raises its estimate due to timely rains in key growing regions of wheat like Queensland and New South Wales which may increase the yield prospects. Australia wheat may be hitting the market from April onwards; this may impact Indian wheat export negatively as buyers may shift towards them due to price disparity.
- **France became one of the largest wheat suppliers to Egypt** due to Russia restriction on export and FoB advantage from USA. France FoB is in the range of \$205-15 /tonne against \$230-40 of USA. France exported around 2.32 Lakh tonnes of wheat in December to Egypt totaling to 7.76 Lakh tonne in 2014-15 marketing season which is more than four times the amount seen in the same period in 2013/14.
- **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.

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

NCDEX Wheat Futures								Date:11:02:2015	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Feb-15	-3	1649	1653	1642	1650	1110	2340	-3	1649
Mar-15	0	1617	1626	1616	1623	840	4170	0	1617
Apr-15	-2	1513	1520	1504	1520	180	770	-2	1513

Spread	Feb-15	Mar-15	Apr-15	
Spot Delhi				
Feb-15	30			
Mar-15		-27		
Apr-15			-103	

Stocks	Demat	In- Process	Total	FED
	10.2.2015	10.2.2015	10.2.2015	09.2.2015
Delhi	674	0	674	674
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	-	-	-	-
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 06.02.15 (USD/T)							
CONTRACT MONTH	06 Feb 15	Week ago (30 Jan 2015)	1 Month ago(06 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	193.62	184.71	217.41	197.02	222.46	226.69	-14.59
15-May	198.03	186.18	218.97	198.21	226.96	227.42	-12.92
15-Jul	195.18	187.93	219.98	200.60	229.26	226.04	-13.65
15-Sep	197.94	190.96	222.37	204.09	232.93	228.43	-13.35
15-Dec	202.35	195.55	226.13	209.05	237.80	231.65	-12.65
16-Mar	205.10	198.12	227.70	212.72	240.83	234.40	-12.50

Wheat Daily Prices and Arrivals on 11.2.2015

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			11-Feb-15	10-Feb-15	
Delhi					
	Lawrence Road	Mill Delivery	1680	1680	Unch
	Narella	Mill Quality Loose	Closed	1620	-
	Nazafgarh	Mill Quality Loose	Closed	1630	-
Gujarat	Rajkot	Mill Delivery	1570	1570	Unch
	Ahmedabad	Mill Delivery	1670	1680	-10
	Surat	Mill Delivery	1725	1715	10
M.P.	Bhopal	Lokwan	1650	1650	Unch
	Indore	Mill Delivery	1570	1575	-5
Rajasthan	Kota	Mill Quality Loose	1510	1500	10
		Mill Delivery	1570	1600	-30
U.P.	Kanpur	Mill Delivery	1570	1570	Unch
	Mathura	Mill Quality Loose	1550	1550	Unch
	Kosi	Mill Quality Loose	1580	1580	Unch
	Hathras	Mill Quality Loose	1585	1585	Unch

	Aligarh	Mill Quality Loose	Closed	NR	-
Punjab	Khanna	Mill Quality Loose	1530	1525	5
	(Ludhiana)Jagraon	Mill Delivery	1560	1560	Unch
Haryana	Sirsa	Mill Delivery loose	1515	1515	Unch
	Hodal	Mill Delivery	1680	1680	Unch
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1600	1600	Unch
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1800	1800	Unch
	Madurai	Mill Quality	1857	1857	Unch
	Coimbatore	Mill Quality	1857	1857	Unch
Bihar	Sitamari	Mill Delivery	1530	1530	Unch
	Khagariya	Mill Delivery	1700	1750	-50
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1700	1700	Unch
	Gandhidham(Rajasthan-Kota)	Mill Quality	1700	1700	Unch

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			11-Feb-15	10-Feb-15	
	Lawrence Road	Mill Delivery	NA	NA	-
	Narella	Mill Quality Loose	Closed	250	-
	Nazafgarh	Mill Quality Loose	Closed	150	-
Gujarat	Rajkot	Mill Quality Loose	1200	900	300
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	400	300	100
Rajasthan	Kota	Mill Quality	2500	3000	-500
U.P.	Kanpur	Mill Quality Loose	500	400	100
	Mathura	Mill Quality Loose	200	300	-100
	Kosi	Mill Quality Loose	150	100	50
	Hathras	Mill Quality Loose	200	100	100
	Aligarh	Mill Quality Loose	Closed	NR	-
Punjab	Khanna	Mill Quality Loose	300	800	-500
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	150	200	-50
	Hodal	Mill Quality Loose	100	100	Unch
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	200	200	Unch
	Panipat	Mill Quality Loose	NA	NA	-



Wheat Products Delhi	11-Feb-15	10-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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