

Wheat Domestic Fundamentals:

- **The Inflation of wheat has increased to -1.63% in the month of January** as compare to -2.46% in the month of December. WPI has increased to 216.6 in January as compare to 214.5 in the month of December.
- **New wheat crop in Ahmadabad region of Gujarat is in good condition** and is expected to hit the market by 2-3 rd week of March. However, arrival of old crop is very low and is around 1000-1500 bags. Prices of good quality wheat like lokwan is moving in the range of Rs 1750-1800/ quintal and mill quality around Rs 11650-1700/ quintal.
- **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.

International Market Update:

- **Korea's largest feed maker, Nonghyup Feed Inc. (NOFI), purchased 55,000 tonnes of feed wheat** at \$233.80/ tonne c&f plus a \$1.25 a tonne surcharge for additional port unloading for June shipment .The wheat can be sourced from the Black Sea region, United States, Canada, Australia, or India .
- **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.

Domestic market Outlook: Wheat cash market is likely to move steady to weak.

| NCDEX Wheat Futures | | | | | | | | Date:14:02:2015 | |
|---------------------|-----|------|------|------|-------|--------|--------|-----------------|--------|
| Contract | +/- | Open | High | Low | Close | Volume | Change | OI | Change |
| Feb-15 | -18 | 1640 | 1640 | 1630 | 1630 | 80 | -820 | 2,340 | 0 |
| Mar-15 | -11 | 1620 | 1625 | 1612 | 1614 | 1,140 | 760 | 4,690 | 130 |
| Apr-15 | -11 | 1517 | 1518 | 1497 | 1498 | 260 | 150 | 1,150 | 150 |

| Spread | Feb-15 | Mar-15 | Apr-15 | |
|------------|--------|--------|--------|--|
| Spot Delhi | | | | |
| Feb-15 | 50 | | | |
| Mar-15 | | -16 | | |
| Apr-15 | | | -116 | |

| Stocks | Demat | In- Process | Total | FED |
|--------|-----------|-------------|-----------|-----------|
| | 14.2.2015 | 14.2.2015 | 14.2.2015 | 09.2.2015 |
| Delhi | - | - | - | 674 |
| Itarsi | - | - | - | - |
| Kanpur | - | - | - | - |
| Kota | 250 | 0 | 250 | - |
| Rajkot | - | - | - | - |

Wheat (CBOT) Future:

| CBOT Futures Prices: Date: 13.02.15 (USD/T) | | | | | | | |
|---------------------------------------------|-----------|------------------------|------------------------|------------------------|------------------------|-----------------------|-----------------------------|
| CONTRACT MONTH | 13-Feb-15 | Week ago (06 Feb 2015) | 1 Month ago(13 Jan 15) | 3 Month ago(13 Nov 14) | 6 Month ago(13 Aug 14) | 1 Year ago(13 Feb 14) | % Change over previous year |
| 15-Mar | 195.82 | 193.62 | 201.34 | 204.27 | 207.86 | 230.83 | -15.17 |
| 15-May | 194.45 | 198.03 | 202.80 | 206.66 | 212.63 | 231.19 | -15.89 |
| 15-Jul | 195.55 | 195.18 | 204.83 | 208.87 | 216.21 | 229.17 | -14.67 |
| 15-Sep | 198.30 | 197.94 | 207.58 | 212.17 | 220.90 | 231.19 | -14.22 |
| 15-Dec | 202.99 | 202.35 | 211.71 | 216.40 | 226.59 | 234.68 | -13.50 |
| 16-Mar | 205.74 | 205.10 | 213.83 | 219.52 | 230.36 | 236.88 | -13.14 |

Wheat Daily Prices and Arrivals on 16.2.2015

| Centre | Market | Variety | Prices (Rs/Qtl) | | Change |
|-----------|---------------|--------------------|-----------------|-----------|--------|
| | | | 16-Feb-15 | 14-Feb-15 | |
| Delhi | | | | | |
| | Lawrence Road | Mill Delivery | 1680 | 1680 | Unch |
| | Narella | Mill Quality Loose | 1610 | 1615 | -5 |
| | Nazafgarh | Mill Quality Loose | 1620 | 1630 | -10 |
| Gujarat | Rajkot | Mill Delivery | 1550 | 1550 | Unch |
| | Ahmedabad | Mill Delivery | 1680 | 1660 | 20 |
| | Surat | Mill Delivery | 1715 | 1710 | 5 |
| M.P. | Bhopal | Lokwan | 1650 | 1650 | Unch |
| | Indore | Mill Delivery | 1570 | 1570 | Unch |
| Rajasthan | Kota | Mill Quality Loose | 1500 | 1510 | -10 |
| | | Mill Delivery | 1600 | 1600 | Unch |
| U.P. | Kanpur | Mill Delivery | 1580 | 1575 | 5 |
| | Mathura | Mill Quality Loose | 1550 | 1550 | Unch |
| | Kosi | Mill Quality Loose | 1560 | 1550 | 10 |
| | Hathras | Mill Quality Loose | 1530 | 1530 | Unch |

| | | | | | |
|------------|----------------------------|---------------------|------|------|------|
| | Aligarh | Mill Quality Loose | NR | 1500 | - |
| Punjab | Khanna | Mill Quality Loose | 1530 | 1550 | -20 |
| | (Ludhiana)Jagraon | Mill Delivery | 1560 | 1560 | Unch |
| Haryana | Sirsa | Mill Delivery loose | 1515 | 1515 | Unch |
| | Hodal | Mill Delivery | 1660 | 1680 | -20 |
| | Karnal | Mill Delivery | NA | NA | - |
| | Bhiwani | Mill Quality Loose | 1610 | 1610 | 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 | 1600 | NA | - |
| | Khagariya | Mill Delivery | 1650 | 1700 | -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 | | | 16-Feb-15 | 14-Feb-15 | |
| | Lawrence Road | Mill Delivery | NA | NA | - |
| | Narella | Mill Quality Loose | 250 | 250 | Unch |
| | Nazafgarh | Mill Quality Loose | 100 | 100 | Unch |
| Gujarat | Rajkot | Mill Quality Loose | 1800 | 1200 | 600 |
| | Ahmedabad | Mill Delivery | 1500 | 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 | 500 | Unch |
| | Mathura | Mill Quality Loose | 300 | 300 | Unch |
| | Kosi | Mill Quality Loose | 100 | 200 | -100 |
| | Hathras | Mill Quality Loose | 20 | 50 | -30 |
| | Aligarh | Mill Quality Loose | NR | 100 | - |
| Punjab | Khanna | Mill Quality Loose | 1200 | 500 | 700 |
| | (Ludhiana)Jagraon | Mill Quality Loose | NA | NA | - |
| Haryana | Sirsa | Mill Quality Loose | 200 | 150 | 50 |
| | Hodal | Mill Quality Loose | 50 | 100 | -50 |
| | Karnal | Mill Delivery | NA | NA | - |
| | Bhiwani | Mill Quality Loose | 200 | 200 | Unch |
| | Panipat | Mill Quality Loose | NA | NA | - |



| Wheat Products Delhi | 16-Feb-15 | 14-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 | - |

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time