

Wheat Domestic Fundamentals:

- **Likely lower FoB quote for wheat By Russia would not allow global wheat market to get firmer** in the months ahead. It would affect Export opportunity for India also. Indian new wheat is being traded at Rs 1350 to Rs 1500 currently while Russia can offer wheat at \$205 per tonne in forward months (July-August) while India cannot offer wheat below \$255/260 per tonne at any case as MSP of Indian wheat is Rs 14500 per tonne. Right now US wheat is more competitive than Indian wheat and Indian exporters may see tough time ahead.
- **According to IBIS, export of Indian wheat in the first week of March** (02-08 March) was around 931 MT at an average FoB price of \$302.10/tonne. The major export destination of Indian wheat was Malaysia from Mundra port which accounted 364 MT at an average FOB price of \$272.33/Tn .Other major countries were UAE and Sri Lanka.
- **Loss in Punjab may be even higher than Haryana** as at least 7 districts has been affected in Punjab while three districts got affected in Haryana. Here crop loss percentage may be 5 to 8 percent and it has dashed the hope of record production and yield this year.
- **Punjab has targeted 168 Lakh tonne wheat production in 2013-14** .With timely sowing, favorable weather and disease free crop had increased the aspiration of record crop this year, over 2011-12,when 180 Lakh tonne wheat was produced. Punjab share in total production was 176 Lakh tonne last year. If we consider current loss Punjab would produce not more than 162 Lakh tonne this year.
- **Despite reported news of considerable crop loss in Rajasthan** due to recent rains, hails storm and strong wind and growing fear of lower yield in Rajasthan final size of the wheat crop may improve. The actual loss has been witnessed in flooding area which is only 5 percent of planted wheat area in Rajasthan. Feedback received from farmers from Sri Ganganagar, Hanumangarh hints recovery in yield in these regions.
- **Wheat crop in Baran , Bundi and Kota regions has flattened** with recent rains/strong wind and loss percentage in these region is assessed around 8 to 10 percent. The loss may increase if two-three spell of more rains lash again in these growing regions .In terms of overall Rajasthan total loss so far may be 4 to 5 percent that is a normal phenomenon.

International Market Update:

- **Russia's new wheat crop is expected to hit the local market by June end.** Standing crop is in good condition and bumper production prospect looms large given the normal weather condition over the main growing regions. Market experts see wheat price to decrease by 9 percent in next three months. Wheat having 12.5 percent moisture content might be available at \$205 per tonne on FOB basis by the end of June This year prices of old crop is hovering in the range of \$225 to \$226 per tonne on a Fob Black Sea Basis. In the first week of March around 51,000 tonne wheat from Russia has been exported. Since the beginning of the current MY Russia has exported around 19 million tonne wheat.
- **U.S. wheat futures are going northward on concerns over potential yield** losses due to dry weather across key producing regions in the country but there is a possibility of rain after a week and is expected to push the prices down. However, if the weather remains the same the uptrend may continue.
- **Bangladesh's state grains buyer received the lowest offer of \$243.69/tonne CIF** for 50,000 tonne from Phoenix Commodities. Other offers were \$243.95 and \$254.90 a tonne CIF. The offers must remain valid until March 25 and has to be shipped within 40 days after contract signing.
- **Global Wheat Supply May Increase due to expectation** of higher production. According to a Reuters' poll, USDA may raise the estimate of wheat ending stocks to 699 million bushels for 2014/15, up from 692 million bushels of February.

Domestic market Outlook: Wheat cash market is likely to be steady to slightly firm.

NCDEX Wheat Futures								Date:13:03:2015	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Mar-15	4	1665	1668	1640	1644	440	110	5,960	-470
Apr-15	3	1493	1500	1483	1499	920	620	1,900	-110
May-15	0	1478	1490	1478	1490	210	80	2,260	30

Spread	Feb-15	Mar-15	Apr-15	
Spot Delhi				
Mar-15	31			
Apr-15		-145		
May-15			-9	

Stocks	Demat	In- Process	Total	FED
	12.03.2015	12.03.2015	12.03.2015	9.03.2015
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	2079	401	2480	1643
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 12.03.15 (USD/T)							
CONTRACT MONTH	12-Mar-15	Week ago (04 Mar 2015)	1 Month ago(11 Feb 15)	3 Month ago(11 Dec 14)	6 Month ago(11 Sept 14)	1 Year ago(11 Mar 14)	% Change over previous year
15-Mar	188.57	181.31	193.16	219.52	193.34	253.23	-25.54
15-May	186.36	182.23	192.43	220.53	197.39	253.60	-26.51
15-Jul	187.19	184.80	193.62	220.99	200.78	250.38	-25.24
15-Sep	190.50	188.38	196.38	224.11	204.73	251.58	-24.28
15-Dec	195.27	194.17	201.34	228.61	210.43	254.42	-23.25

Wheat Daily Prices and Arrivals on 13.3.2015

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			13-Mar-15	12-Mar-15	
Delhi					
	Lawrence Road	Mill Delivery	1675	1670	5
	Narella	Mill Quality Loose	1615	1610	5
	Nazafgarh	Mill Quality Loose	1630	1620	10
Gujarat	Rajkot	Mill Delivery	1410	1415	-5
	Ahmedabad	Mill Delivery	1420	1450	-30
	Surat	Mill Delivery	1460	1510	-50
M.P.	Bhopal	Lokwan	1500	1500	Unch
	Indore	Mill Delivery	1445	1445	Unch
Rajasthan	Kota	Mill Quality Loose	1425	1450	-25
		Mill Delivery	1515	1500	15
U.P.	Kanpur	Mill Delivery	1545	1540	5
	Mathura	Mill Quality Loose	1625	1620	5
	Kosi	Mill Quality Loose	1580	1575	5
	Hathras	Mill Quality Loose	1600	NA	-

	Aligarh	Mill Quality Loose	NR	1550	-
Punjab	Khanna	Mill Quality Loose	1535	1535	Unch
	(Ludhiana)Jagraon	Mill Delivery	1550	1560	-10
Haryana	Sirsa	Mill Delivery loose	1510	1510	Unch
	Hodal	Mill Delivery	1660	1660	Unch
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1560	1580	-20
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1700	1700	Unch
	Madurai	Mill Quality	1757	1757	Unch
	Coimbatore	Mill Quality	1757	1757	Unch
Bihar	Sitamari	Mill Delivery	1650	1670	-20
	Khagariya	Mill Delivery	1600	1600	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality	NA	NA	-
	Gandhidham(Rajasthan-Kota)	Mill Quality	NA	NA	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			13-Mar-15	12-Mar-15	
	Lawrence Road	Mill Delivery	NA	NA	-
	Narella	Mill Quality Loose	300	300	Unch
	Nazafgarh	Mill Quality Loose	50	150	-100
Gujarat	Rajkot	Mill Quality Loose	6000	12000	-6000
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	7000	15000	-8000
Rajasthan	Kota	Mill Quality	3000	5000	-2000
U.P.	Kanpur	Mill Quality Loose	250	400	-150
	Mathura	Mill Quality Loose	200	200	Unch
	Kosi	Mill Quality Loose	100	150	-50
	Hathras	Mill Quality Loose	200	NA	-
	Aligarh	Mill Quality Loose	NR	100	-
Punjab	Khanna	Mill Quality Loose	500	700	-200
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	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	13-Mar-15	12-Mar-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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