

## Wheat Daily Report 16 March, 2015

#### **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:14:03:2015									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Mar-15	-	-	-	-	-	-	-	-	-
Apr-15	-	-	-	-	-	-	-	-	-
May-15	-	-	-	-	-	-	-	-	-



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

Stocks	Demat	In- Process	Total	FED
	13.03.2015	13.03.2015	13.03.2015	9.03.2015
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	2079	471	2550	1643
Rajkot	-	-	-	-

### Wheat (CBOT) Future:

	CBOT Futures Prices: Date: 13.03.15 (USD/T)							
CONTRACT MONTH	13-Mar- 15	Week ago (06 Mar 2015)	1 Month ago(13 Feb 15)	3 Month ago(15 Dec 14)	6 Month ago(15 Sept 14)	1 Year ago(13 Mar 14)	% Change over previous year	
15-Mar	184.43	177.27	194.45	228.25	194.45	258.47	-28.64	
15-May	184.89	178.74	195.55	227.88	197.75	254.79	-27.43	
15-Jul	188.29	182.05	198.30	230.64	201.79	255.89	-26.42	
15-Sep	193.25	187.47	202.99	234.68	207.67	258.83	-25.34	
15-Dec	197.66	192.61	205.74	237.89	211.44	260.03	-23.98	

Wheat Daily Prices and Arrivals on 14.3.2015

Centre	Market	Variety	Prices (	(Rs/Qtl)	Change
			14-Mar-15	13-Mar-15	
Delhi	Lawrence Road	Mill Delivery	1670	1675	-5
Denn	Narella	Mill Quality Loose	1610	1615	-5
	Nazafgarh	Mill Quality Loose	1630	1630	Unch
	Rajkot	Mill Delivery	1425	1410	15
Gujarat	Ahmedabad	Mill Delivery	1450	1420	30
	Surat	Mill Delivery	1480	.425 1410   .450 1420   .480 1460   .500 1500   .445 1445   .425 1425	20
M.P.	Bhopal	Lokwan	1500	1500	Unch
MI.F.	Indore	Mill Delivery	1445	1445	Unch
Rajasthan	Kota	Mill Quality Loose	1425	1425	Unch
Kajastiiaii	Rota	Mill Delivery	1515	1515	Unch
	Kanpur	Mill Delivery	1510	1545	-35
U.P.	Mathura	Mill Quality Loose	1625	1625	Unch
U.P.	Kosi	Mill Quality Loose	1580	1580	Unch
	Hathras	Mill Quality Loose	NR	1600	-



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	Aligarh	Mill Quality Loose	1550	NR	-
Punjab	Khanna	Mill Quality Loose	1530	1535	-5
Punjab	(Ludhiana)Jagraon	Mill Delivery	1550	1550	Unch
	Sirsa	Mill Delivery loose	1510	1510	Unch
	Hodal	Mill Delivery	1660	1660	Unch
Haryana	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1575	1560	15
	Panipat	Mill Quality Loose	NA	NA	-
- · · ·	Chennai	Mill Quality	1725	1700	25
Tamil Nadu	Madurai	Mill Quality	1782	1757	25
Tudu	Coimbatore	Mill Quality	1782	1757	25
Bihar	Sitamari	Mill Delivery	Closed	1650	-
Dillar	Khagariya	Mill Delivery	1650	1600	50
FOR	Kandla(Rajasthan-Kota)	Mill Quality	NA	NA	-
FUK	Gandhidham(Rajasthan-Kota)	Mill Quality	NA	NA	-

Centre	Market	Variety	Arrivals (	(Bags/Qtl)	Change
			14-Mar-15	13-Mar-15	
Delhi -	Lawrence Road	Mill Delivery	NA	NA	-
Denn	Narella	Mill Quality Loose	150	300	-150
	Nazafgarh	Mill Quality Loose	50	13-Mar-15 NA	Unch
Cuionat	Rajkot	Mill Quality Loose	7000	6000	1000
Gujarat -	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
MI.P.	Indore	Mill Quality Loose	2000	7000	-5000
Rajasthan	Kota	Mill Quality	4000	3000	1000
	Kanpur	Mill Quality Loose	500	250	250
	Mathura	Mill Quality Loose	150	200	-50
U.P.	Kosi	Mill Quality Loose	100	100	Unch
	Hathras	Mill Quality Loose	NR	200	-
	Aligarh	Mill Quality Loose	100	NR	-
Duniah	Khanna	Mill Quality Loose	500	500	Unch
Punjab -	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
	Sirsa	Mill Quality Loose	200	200	Unch
[	Hodal	Mill Quality Loose	20	50	-30
Haryana	Karnal	Mill Delivery	NA	NA	-
[	Bhiwani	Mill Quality Loose	se     50     50       se     7000     6000       NA     NA     NA       NA     NA     NA       se     2000     7000       4000     3000       se     500     250       se     150     200       se     100     100       se     NR     200       se     100     NR       se     500     500       se     NA     NA       se     200     200       se     20     50       NA     NA     NA       se     200     200	200	Unch
	Panipat	Mill Quality Loose	NA	NA	-



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Wheat Products Delhi	14-Mar-15	13-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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