

### Wheat Domestic Fundamentals:

- **Rains occurred in the last week of February accompanied** by strong wind and hailstorm and its repetition in mid March have dashed the hope of bumper wheat production in 2015. Wheat quality in Gujarat is said to be affected considerably and almost 75 percent wheat has suffered from quality problem. Grains have lost natural colour and quality properties. Even production is said to be 10 to 12 percent lower from last year. Almost 70 percent harvesting is over in Gujarat.
- **According to IBIS, export of Indian wheat in the second week of March (09-15 March)** was around 1806 MT at an average FoB price of \$291.43/tonne. The major export destination of Indian wheat was UAE from Mundra port which accounted 700 MT at an average FOB price of \$304.77/Tn .Other major countries were Malaysia and Taiwan.
- **Recent rains accompanied by strong winds and hailstorms has damage standing** crop up to 40% in Baran ,Bundi and Kota region of the state. It is considered the major wheat growing belt in Rajasthan. Rains during maturity state have also affected the original quality and color of the grain. The clear picture would emerge in 7-10 days with opening up of weather. Current damage is believed to reduce the final size of the estimated crop of the state by 15-20 percent. The only silver lining is that wheat crop in Ganganagar, Hanumangarh and Bhiwara is in good shape as of now.
- **Wheat crop at almost harvesting stage in MP is not showing good sign** with Lessing out of fresh showers of recent rains and hailstorms. These developments have affected the normal quality of grains negatively. Crop loss assessment continues and clear picture would come by the end of this week. Grains of harvested crop have discolored and have lost to receive the hope of premium price. Premium quality wheat is being traded at Rs 1800 per quintal while normal quality is sold out in the range of Rs 1400-1450 / quintal. The lack luster grains are being traded Rs1200-1300/ quintal.
- **Bad weather and unseasonal rains has badly affected wheat crop in Gujarat** .Traders fear that 75% of new crop has almost discolored, however yield is considered to remain almost normal. Sourcing quality wheat in Gujarat market this year could not be easy and millers would have to pat premium price for quality wheat. Maximum wheat (almost 80%) is likely to be consumed by millers and traders say that for branded segment millers would have to adopt import option for quality wheat in south India.
- **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.

### International Market Update:

- **Korea's largest feed maker, Nonghyup Feed Inc. (NOFI), purchased 53,000 tonnes of feed wheat** at \$205.88/tonne c&f plus a \$1.50 a tonne surcharge for additional port unloading for September shipment .The wheat can be sourced from the Black Sea region, United States, Canada, Australia.
- **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.

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

NCDEX Wheat Futures								Date:20:03:2015	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Mar-15	-8	1688	1688	1677	1680	2,550	1,510	2,230	-2,420
Apr-15	-4	1482	1488	1482	1483	280	-340	2,370	110
May-15	-7	1514	1514	1486	1490	280	170	2,520	20

Spread	Feb-15	Mar-15	Apr-15	
Spot Delhi				
Mar-15	-18			
Apr-15		-202		
May-15			12	

Stocks	Demat	In- Process	Total	FED
	<b>20.03.2015</b>	<b>20.03.2015</b>	<b>20.03.2015</b>	<b>16.03.2015</b>
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	2975	0	2975	2129
Rajkot	-	-	-	-

### Wheat (CBOT) Future:

CBOT Futures Prices: Date: 17.03.15 (USD/T)							
CONTRACT MONTH	17-Mar-15	Week ago (10 Mar 2015)	1 Month ago (17 Feb 15)	3 Month ago (17 Dec 14)	6 Month ago (17 Sept 14)	1 Year ago (17 Mar 14)	% Change over previous year
15-May	184.99	181.22	195.36	239.09	193.71	258.10	<b>-28.33</b>
15-Jul	186.18	182.60	196.56	227.88	197.02	253.78	<b>-26.64</b>
15-Sep	189.76	186.27	199.50	230.64	201.52	255.07	<b>-25.60</b>
15-Dec	195.00	191.69	204.18	243.77	207.58	258.19	<b>-24.48</b>
16-Mar	199.77	196.56	206.94	246.43	211.16	259.29	<b>-22.95</b>
16-May	201.98	199.50	207.95	244.05	211.44	258.93	<b>-21.99</b>

### Wheat Daily Prices and Arrivals on 21.3.2015

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			21-Mar-15	20-Mar-15	
Delhi	Lawrence Road	Mill Delivery	1670	1670	Unch
	Narella	Mill Quality Loose	1610	1610	Unch
	Nazafgarh	Mill Quality Loose	1630	1640	-10
Gujarat	Rajkot	Mill Delivery	NR	NA	-
	Ahmedabad	Mill Delivery	NR	NA	-
	Dhrol	Mill Delivery	NR	1330	-
	Surat	Mill Delivery	NR	NA	-
M.P.	Bhopal	Lokwan	Closed	1550	-
	Indore	Mill Delivery	Closed	Closed	-
Rajasthan	Kota	Mill Quality Loose	1450	1475	-25
		Mill Delivery	1500	1540	-40
U.P.	Kanpur	Mill Delivery	1575	1575	Unch
	Mathura	Mill Quality Loose	1630	1630	Unch

	Kosi	Mill Quality Loose	1600	1600	Unch
	Hathras	Mill Quality Loose	1625	NA	-
	Aligarh	Mill Quality Loose	NA	NA	-
Punjab	Khanna	Mill Quality Loose	1520	1530	-10
	(Ludhiana)Jagraon	Mill Delivery	1550	1550	Unch
Haryana	Sirsa	Mill Delivery loose	1510	1510	Unch
	Hodal	Mill Delivery	1620	1620	Unch
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1600	1600	Unch
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1730	1730	Unch
	Madurai	Mill Quality	1787	1787	Unch
	Coimbatore	Mill Quality	1787	1787	Unch
Bihar	Sitamari	Mill Delivery	1650	1620	30
	Khagariya	Mill Delivery	1650	1650	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality	NA	NA	-
	Gandhidham(Rajasthan-Kota)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
Gujarat			21-Mar-15	20-Mar-15	
	Rajkot	Lokwan	NR	NA	-
	Dhrol	Lokwan	NA	1815	-
M.P.	Indore	Lokwan	Closed	Closed	-
	Bhopal	Lokwan	Closed	1550	-
	Bina	Sarbati 306	Closed	Closed	-
Rajasthan	Kota	Lokwan Bilty	1650	1650	Unch
	Baran	Lokwan	1600	1600	Unch

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			21-Mar-15	20-Mar-15	
	Lawrence Road	Mill Delivery	NA	NA	-
	Narella	Mill Quality Loose	250	300	-50
	Nazafgarh	Mill Quality Loose	100	50	50
Gujarat	Rajkot	Mill Quality Loose	NR	NA	-
	Ahmedabad	Mill Delivery	NA	NA	-
	Dhrol	Mill Delivery	NA	9	-
M.P.	Indore	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality	8000	1000	7000
U.P.	Kanpur	Mill Quality Loose	500	400	100
	Mathura	Mill Quality Loose	200	200	Unch

	Kosi	Mill Quality Loose	100	100	Unch
	Hathras	Mill Quality Loose	60	NA	-
	Aligarh	Mill Quality Loose	NA	NA	-
Punjab	Khanna	Mill Quality Loose	500	500	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	100	50	50
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	500	200	300
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	21-Mar-15	20-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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