

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:23:03:2015	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Mar-15	0.00	1688.00	1688.00	1677.00	1688.00	2,550	0.00	2200	-30.00
Apr-15	-37.00	1485.00	1488.00	1445.00	1448.00	2,000	1720.00	2660	290.00
May-15	-37.00	1487.00	1489.00	1455.00	1455.00	1,190	910.00	2860	340.00

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

Stocks	Demat	In- Process	Total	FED
	21.03.2015	21.03.2015	21.03.2015	16.03.2015
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	-28.33
15-Jul	186.18	182.60	196.56	227.88	197.02	253.78	-26.64
15-Sep	189.76	186.27	199.50	230.64	201.52	255.07	-25.60
15-Dec	195.00	191.69	204.18	243.77	207.58	258.19	-24.48
16-Mar	199.77	196.56	206.94	246.43	211.16	259.29	-22.95
16-May	201.98	199.50	207.95	244.05	211.44	258.93	-21.99

Wheat Daily Prices and Arrivals on 23.3.2015

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			23-Mar-15	21-Mar-15	
Delhi	Lawrence Road	Mill Delivery	1680	1670	10
	Narella	Mill Quality Loose	1610	1610	Unch
	Nazafgarh	Mill Quality Loose	1610	1630	-20
Gujarat	Rajkot	Mill Delivery	NR	NR	-
	Ahmedabad	Mill Delivery	1550	NR	-
	Dhrol	Mill Delivery	NR	NR	-
	Surat	Mill Delivery	NR	NR	-
M.P.	Bhopal	Lokwan	1500	Closed	-
	Indore	Mill Delivery	1380	Closed	-
Rajasthan	Kota	Mill Quality Loose	1420	1450	-30
		Mill Delivery	1400	1500	-100
U.P.	Kanpur	Mill Delivery	1575	1575	Unch
	Mathura	Mill Quality Loose	1625	1630	-5

	Kosi	Mill Quality Loose	1600	1600	Unch
	Hathras	Mill Quality Loose	NA	1625	-
	Aligarh	Mill Quality Loose	NA	NA	-
Punjab	Khanna	Mill Quality Loose	1530	1520	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	1700	1730	-30
	Madurai	Mill Quality	1757	1787	-30
	Coimbatore	Mill Quality	1757	1787	-30
Bihar	Sitamari	Mill Delivery	1625	1650	-25
	Khagariya	Mill Delivery	NA	1650	-
FOR	Kandla(Rajasthan-Kota)	Mill Quality	NA	NA	-
	Gandhidham(Rajasthan-Kota)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
Gujarat			23-Mar-15	21-Mar-15	
	Rajkot	Lokwan	NR	NR	-
	Dhrol	Lokwan	NA	NA	-
M.P.	Indore	Lokwan	1600	Closed	-
	Bhopal	Lokwan	1500	Closed	-
	Bina	Sarbati 306	1650	Closed	-
Rajasthan	Kota	Lokwan Bilty	1550	1650	-100
	Baran	Lokwan	1650	1600	50

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			23-Mar-15	21-Mar-15	
	Lawrence Road	Mill Delivery	NA	NA	-
	Narella	Mill Quality Loose	300	250	50
	Nazafgarh	Mill Quality Loose	100	100	Unch
Gujarat	Rajkot	Mill Quality Loose	10000	NR	-
	Ahmedabad	Mill Delivery	NA	NA	-
	Dhrol	Mill Delivery	NA	NA	-
M.P.	Indore	Mill Quality Loose	10000	Closed	-
Rajasthan	Kota	Mill Quality	25000	8000	17000
U.P.	Kanpur	Mill Quality Loose	400	500	-100
	Mathura	Mill Quality Loose	200	200	Unch

	Kosi	Mill Quality Loose	100	100	Unch
	Hathras	Mill Quality Loose	NA	60	-
	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	50	100	-50
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	300	500	-200
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	23-Mar-15	21-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	-

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