

Wheat Domestic Fundamentals:

- Key spot markets traded weak due to sluggish demand for wheat.
- According to PIB (Press Information Bureau), Wheat has been sown in 253.17 lakh hectares as compared to last year's 257.12 lakh hectares. In Maharashtra wheat has been sown in 3, 79, 398 hectares so far, which is 39.3 % of the Normal area. Last year at the same time wheat was sown in 4, 09,616 hectares. Maharashtra has set target of 10, 50,100 hectares.
- In Rajasthan wheat has been sown in 24, 15, 100 hectares so far, which is 86.3% of the target area. Last year at the same time wheat was sown in 23, 12,500 hectares. Rajasthan has set target of 28, 00,000 hectares against the last years 29, 35,000 hectares.
- Government favors hiking Wheat MSP as per latest update, the Union Cabinet is considering proposals to hike Minimum support price of wheat and export quota to ease pressure of bulging food grain stock. The agriculture ministry has proposed wheat MSP Rs1400/Q for 2013 as compared to Rs 1285/Q for 2012. If MSP is increased the sown area might increase as farmer will be getting more remuneration for their crop.
- According to Traders wheat crop might be 20% less in Gujarat and 80% less in Saurashtra region due to lower availability of water. Wheat area might shift to Chana and Mustard in Saurashtra region.
- Agriculture Minister Sarad Pawar is trying to ensure higher price for wheat farmers next season either by higher MSP or through bonus. The government had rejected the recommendation of the Commission for Agricultural Costs and Prices (CACP) to freeze the MSP of wheat at last year's level of Rs 1,285 per quintal. Resultantly, the CACP had revised its recommendation and suggested a bonus of Rs 40 per quintal subject to liquidation of 15 million tonnes of wheat by April 2013.

International Market Update:

- Argentina wheat export limit may be further reduced as crop production seems to be lower than previous estimate of 10.1 million tonnes. Traders and Research Analyst sees Argentina production at 9.5 million tonnes, due to regular rains which resulted in flooding of the fields. However, According to Ministry of Agriculture's latest release ministry sees Argentina Wheat crop at 10.5 million tonnes 50 Lakh tonnes less from previous estimate.
- Ukraine Government earlier has urged traders to halt wheat exports; but now has allowed 300,000 tonnes for export through government run organizations. According to official data, Ukraine has already exported 5.7 million tonnes of wheat as of December 18, 2012 now, it is expected that Ukraine export 6 million tonnes of wheat this year.

Domestic market Outlook: We expect wheat Cash and future market to trade steady to weak due to increased supply under OMSS-D bulk users will restrict uptrend.

NCDEX Wheat Futures									
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Jan-13	5	1,584	1,590	1,582	1,587	1,940	1,210	12,670	12,330
Feb-13	2	1,558	1,563	1,557	1,561	730	-1,200	5,540	-7,800
Mar-13	2	1,462	1,463	1,460	1,460	60	-720	1,040	-4,540
Apr-13	10	1,389	1,389	1,383	1,385	80	-140	1,300	310

Spread	Jan-13	Feb-13	Mar-13	Arp-13
Spot	-12			
Jan-13		-26		
Feb-13			-101	
Mar-13				-75

Stocks	Demat	In- Process	Total	FED
	21/12/2012	21/12/2012	21/12/2012	20/12/2012
Delhi	-	-	-	-
Itarsi	10	0	10	10
Kanpur	-	-	-	-
Kota	3788	0	3788	3788

CBOT Wheat Futures: Date: 20.12.2012

Contract	Open	High	Low	Close	+/-
Dec-12	791.00	798.75	789.75	792.00	+1.50
Mar-13	802.00	810.00	800.75	802.00	Unch
May-13	810.00	815.00	807.00	808.75	+1.00
Jul-13	819.00	825.00	818.25	820.75	+2.25
Sep-13	831.00	836.00	830.00	832.75	+2.25

Wheat Daily prices and Arrival On 22.12.2012

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			12/22/2012	12/21/2012	
Delhi	Lawrence Road	Mill Quality	1575	1570	5
	Nazafgarh	Mill Delivery Loose	1550	1550	Unch
	Narella	Mill Delivery Loose	1525	1520	5
Gujarat	Rajkot	Mill Delivery	1670	1670	Unch
	Ahmedabad	Mill Delivery	1710	1715	-5
M.P.	Bhopal	Mill Quality Loose (Lokwan Price)	1625	1625	Unch
	Indore	Mill Delievery	1575	1580	-5
Rajasthan	Kota	Mill Delivery	1521	1600	-79
U.P.	Kanpur	Mill Delivery	1540	1550	-10
Punjab	Khanna	Mill Quality Loose	1470	1470	Unch
Haryana	Sirsa	Mill Delivery loose	1540	1540	Unch
	Palwal	Mill Quality Loose	-	-	-
	Hodal	Mill Quality loose	1470	1470	Unch
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Quality	-	-	-
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1715	1725	-10
	Gandhidham(Rajasthan-Kota)	Mill Quality	1715	1725	-10

Centre	Market	Variety	Arrivals (Bags/QtI)		Change
			12/22/2012	12/21/2012	
Delhi	Lawrence Road	Mill Quality	1000	1200	-200
	Nazafgarh	Mill Delivery Loose	200	200	Unch
	Narella	Mill Delivery Loose	300	150	150
Gujarat	Rajkot	Mill Delivery	-	-	-
	Ahmadabad	Mill Delivery	-	-	-
M.P.	Bhopal	Mill Quality Loose (Lokwan Price)	-	-	-
	Indore	Mill Delivery	-	-	-
Rajasthan	Kota	Mill Quality	4000	2000	2000
U.P.	Kanpur	Mill Delivery	600	600	Unch
Punjab	Khanna	Mill Quality Loose	400	300	100
Haryana	Sirsa	Mill Quality Loose	200	300	-100
	Palwal	Mill Quality Loose	-	-	-
	Hodal	Mill Delivery loose	50	50	Unch
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Delivery Loose	-	-	-

Wheat Products Delhi	12/22/2012	12/21/2012	Change
Atta (50kg) Ordinary	910	910	Unch
Maida Grade 1 (90kg)	1878	1878	Unch
Maida Grade 1 (50KG)	1025	1025	Unch
Suji (50kg)	1100	1100	Unch
Chokar (50 kg)	674	674	Unch
Chokar (34 kg)	461	461	Unch
Chakki Atta (50kg)	930	930	Unch
Chakki Atta (50kg) Special	930	930	Unch
Chakki Atta (90kg) Superfine	1700	1700	Unch
Chakki Atta (50kg) Superfine	935	935	Unch

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