

Wheat Domestic Fundamentals:

- Wheat market is trading steady to low on increased pace of sowing and weak export demand and Supply and demand seems to be equal.
- In Gujarat, Gandhidham exporters are buying wheat at FOR Rs 1710/Q. Cargill and ITC are active in wheat spot market. According to traders every day around 700-800 bags are being diverted from ration quota to spot market at Rs 1550-1600/Q.
- In Rajasthan wheat has been sown in 20, 63, 700 hectares so far, which is 73.3% of the target area. Last year at the same time wheat was sown in 19, 29,800 hectares. Rajasthan has set target of 28, 00,000 hectares against the last years 29, 35,000 hectares.
- According to PIB (Press Information Bureau), wheat has been so far sown in 183.55 lakh hectares as compared to last year's 181.67 lakh hectares at the same time.
- Wheat sowing has improved as compared to last year at the same time. It is ahead almost by 2 lakh hectares till date. We expect that wheat area will remain same or more as compared to last year however lower area coverage was reported in Rajasthan and Gujarat.
- Feed millers have shifted to maize due to lower price and better availability in the major producing price, however maize price started firming up and it may support wheat price once again in near term.

International Market Update:

- According to latest USDA's WASDE report US ending stocks has been increased by 50 million bushels and Soft wheat export are reduced by 10 million tonnes. Global Wheat production estimates has been increased 655.11 million tonnes from 651.43 million tonnes. Trade has been marginally too increased. CBOT has fallen and international cash and future markets are expected to consolidate at lower levels.
- Iraq has made a purchase 350,000 tonnes of wheat from Australia and Romania. Romanian wheat was cheaper than Australian Wheat. Romanian Wheat has been purchased at USD 404/T CIF, whereas Australian wheat has been purchased in range of USD413/T-USD 407/t CIF.
- Indonesia has imposed 20% tariff on wheat flour import for next 200 days to protect its domestic flour millers from foreign imports in to Indonesia. This move may increase in import of wheat by 6-7% next year and Indonesia may import 7 million tonnes of wheat next year. Indonesia is the largest South East Asia importer, importing about 6.2 million tonnes of Wheat every year. Turkey is the largest wheat flour exporter having about 60% market share in wheat flour imports.

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
Dec-12	2	1,620	1,625	1,615	1,625	490	-2,170	3,250	-210
Jan-13	-16	1,590	1,598	1,581	1,582	7,000	2,020	15,260	1,620
Feb-13	-9	1,580	1,584	1,571	1,571	790	-250	4,560	210
Mar-13	-1	1,479	1,479	1,479	1,479	10	-50	420	10

Spread	Dec-12	Jan-13	Feb-13	Mar-13
Spot	-45			
Dec-12		-43		
Jan-13			-11	
Feb-13				-92

Stocks	Demat	In- Process	Total	FED
	11/12/2012	11/12/2012	11/12/2012	10/12/2012
Delhi	-	-	-	-
Itarsi	10	0	10	10
Kanpur	-	-	-	-
Kota	3757	31	3788	3757

CBOT Wheat Futures: Date: 11.12.2012

Contract	Open	High	Low	Close	+/-
Dec-12	831.00	831.00	801.75	805.75	-27.00
Mar-13	849.00	849.00	816.00	821.50	-27.25
May-13	859.25	860.25	828.25	833.75	-27.00
Jul-13	866.75	867.50	837.75	842.25	-24.50
Sep-13	875.75	875.75	849.00	853.00	-23.25

Wheat Daily prices and Arrival On 12.12.2012

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			12/12/2012	12/11/2012	
Delhi					
	Lawrence Road	Mill Quality	1580	1585	-5
	Nazafgarh	Mill Delivery Loose	-	1550	-
	Narella	Mill Delivery Loose	-	1530	-
Gujarat	Rajkot	Mill Delivery	1670	1680	-10
	Ahmedabad	Mill Delivery	1720	1720	Unch
M.P.	Bhopal	Mill Quality Loose (Lokwan Price)	1650	1650	Unch
	Indore	Mill Delievery	1585	1580	5
Rajasthan	Kota	Mill Delivery	1600	1600	Unch
U.P.	Kanpur	Mill Delivery	1535	1540	-5
Punjab	Khanna	Mill Quality Loose	1450	1450	Unch
Haryana	Sirsa	Mill Delivery loose	1550	1555	-5
	Palwal	Mill Quality Loose	-	-	-
	Hodal	Mill Quality loose	1470	1450	20
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Quality	-	-	-
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1731	1725	6
	Gandhidham(Rajasthan-Kota)	Mill Quality	1731	1725	6

Centre	Market	Variety	Arrivals (Bags/QtI)		Change
			12/12/2012	12/11/2012	
Delhi					
	Lawrence Road	Mill Quality	200	2000	-1800
	Nazafgarh	Mill Delivery Loose	-	300	-
	Narella	Mill Delivery Loose	-	400	-
Gujarat	Rajkot	Mill Delivery	-	-	-
	Ahmadabad	Mill Delivery	-	-	-
M.P.	Bhopal	Mill Quality Loose (Lokwan Price)	-	-	-
	Indore	Mill Delivery	-	-	-
Rajasthan	Kota	Mill Quality	5000	4000	-
U.P.	Kanpur	Mill Delivery	600	800	-200
Punjab	Khanna	Mill Quality Loose	400	600	-200
Haryana	Sirsa	Mill Quality Loose	200	500	-300
	Palwal	Mill Quality Loose	-	-	-
	Hodal	Mill Delivery loose	50	100	-50
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Delivery Loose	-	-	-

Wheat Products Delhi	12/12/2012	12/11/2012	Change
Atta (50kg) Ordinary	885	885	Unch
Maida Grade 1 (90kg)	1878	1878	Unch
Maida Grade 1 (50KG)	1025	1025	Unch
Suji (50kg)	1100	1100	Unch
Chokar (50 kg)	648	648	Unch
Chokar (34 kg)	461	461	Unch
Chakki Atta (50kg)	905	905	Unch
Chakki Atta (50kg) Special	910	910	Unch
Chakki Atta (90kg) Superfine	1700	1700	Unch
Chakki Atta (50kg) Superfine	930	930	Unch

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