

Wheat Domestic Fundamentals:

- Spot market traded steady to weak and futures have fallen on anticipation of bumper crop once again, as weather remains favorable over all sentiments according to traders' remains bearish, although wheat exports may support market at lower levels.
- 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.
- 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.
- 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:

- Algeria's Wheat import has fallen to 5.7 million tonnes against the 6.9 million tonnes same time last year for first 11 months of the year. Of the total imported wheat 4.2 million tonnes was soft milling wheat and rest 1.5 million tonnes was Durum Wheat, as per the customs data.
- Precipitation and snow might improve the prospects of the better winter crop in US. Since mid June this year wheat prices have risen by 51% due to worst drought since 1956.

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	1,589	1,590	1,580	1,584	1,660	-280	12,560	-110
Feb-13	-5	1,561	1,561	1,550	1,555	890	160	5,800	260
Mar-13	2	1,452	1,464	1,452	1,464	40	-20	1,070	30
Apr-13	-2	1,389	1,394	1,384	1,384	140	60	1,310	10

Spread	Jan-13	Feb-13	Mar-13	Arp-13
Spot	-14			
Jan-13		-29		
Feb-13			-91	
Mar-13				-80

Stocks	Demat	In- Process	Total	FED
	22/12/2012	22/12/2012	22/12/2012	20/12/2012
Delhi	-	-	-	-
Itarsi	10	0	10	10
Kanpur	-	-	-	-
Kota	3788	0	3788	3788

CBOT Wheat Futures: Date: 21.12.2012

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 24.12.2012

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			12/24/2012	12/22/2012	
Delhi	Lawrence Road	Mill Quality	1570	1575	-5
	Nazafgarh	Mill Delivery Loose	1545	1550	-5
	Narella	Mill Delivery Loose	1535	1525	10
Gujarat	Rajkot	Mill Delivery	1670	1670	Unch
	Ahmedabad	Mill Delivery	1710	1710	Unch
M.P.	Bhopal	Mill Quality Loose (Lokwan Price)	1610	1625	-15
	Indore	Mill Delievery	1570	1575	-5
Rajastha n	Kota	Mill Delivery	1621	1621	Unch
U.P.	Kanpur	Mill Delivery	1535	1540	-5
Punjab	Khanna	Mill Quality Loose	1470	1470	Unch
Haryana	Sirsa	Mill Delivery loose	1540	1540	Unch
	Palwal	Mill Quality Loose	-	-	-
	Hodal	Mill Quality loose	1475	1470	5
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Quality	-	-	-
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1715	1715	Unch
	Gandhidham(Rajasth an-Kota)	Mill Quality	1715	1715	Unch

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			12/24/2012	12/22/2012	
Delhi					
	Lawrence Road	Mill Quality	1000	1000	Unch
	Nazafgarh	Mill Delivery Loose	100	200	-100
	Narella	Mill Delivery Loose	100	300	-200
Gujarat	Rajkot	Mill Delivery	-	-	-
	Ahmadabad	Mill Delivery	-	-	-
M.P.	Bhopal	Mill Quality Loose (Lokwan Price)	-	-	-
	Indore	Mill Delivery	-	-	-
Rajasthan	Kota	Mill Quality	2000	4000	-2000
U.P.	Kanpur	Mill Delivery	500	600	-100
Punjab	Khanna	Mill Quality Loose	400	400	Unch
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Palwal	Mill Quality Loose	-	-	-
	Hodal	Mill Delivery loose	75	50	25
	Panipat	Mill Quality Loose	-	-	-
	Karnal	Mill Delivery Loose	-	-	-

Wheat Products Delhi	12/24/2012	12/22/2012	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

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 add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp> © 2005 Indian Agribusiness Systems Pvt. Ltd.