AGRIWATCH

Wheat Daily Report
22nd November, 2014

Wheat Domestic Fundamentals:

- **Despite ample supply from private and central pool wheat price is bound to move slightly up** in the coming weeks due to seasonal factors like lower supply of premium grade wheat, normal demand from whole sellers, retailers and flour millers. However any spike from current level is unlikely as supply from central pool stock through tender and it will remain restrictive to the market fundamental.
- **As of now Wheat area is lagging behind by 18% i**n comparison to last year till date .As per latest update by agriculture ministry wheat coverage during 2014-15 has been registered at 42.88 lakh hactares against corresponding period of 2013-14(52.50 lakh hactares).
- **According to IBIS, export of wheat in the first week of November** (03-09 Nov) was around 1.6 Thousand Mt. The major export destination of Indian wheat was Philippines from JNPT port which accounted .36 thousand MT at an average FOB price of $283.55/Tn .Other countries were U.A.E and Malaysia
- **Wheat area in Punjab is likely to reduce this year and may go under sugarcane** .Wheat sowing in Punjab has been started and 80% of the sowing has been completed in Sangrur district. According to the farmers of the sangrur district despite the fall in area, the production is likely to remain around 15.63 lakh tonnes in the next year, a little lower than the 15.67 lakh tonnes last year.
- **Wheat stock in central pool warehouses was registered at 30.13 million T on 01 November** compared to 32.26 million T on 01 October 2014. The highest accumulated stock is in Punjab (11.14 million T) followed by Madhya Pradesh (5.92 million tonne) and Haryana (5.25 million Tonne) as on 01.11.2014.
- **As of now Wheat area is lagging behind by 52% in comparison to last year** till date .As per latest update by agriculture ministry wheat coverage during 2014-15 has been registered at 4.47 lakh hactares against corresponding period of 2013-14(9.39 lakh hactares).

International Market Update:

- **Global wheat market continue to trade up** due to severe snow fall in USA and growing fear of crop loss in main wheat belts. Besides buyers who are waiting for stabilization in market enter into the market for fresh buying that encouraged global wheat market in last two weeks. Market is likely to move up in current level as major buyers of US wheat are expected to increase their buying in increasing market, it will remain supportive in the short term despite ample availability and good production prospects.
- **Chicago Board of Trade climbed from last week due** to adverse condition for wheat crop. This year winter season in US is colder than average winter and that could have an impact on yield of wheat crop. Market may test the first resistance level of 590 cent per bushel in the short term.
- **Morgan Stanley reduced its price forecasts for wheat** because global surpluses are larger than current expectation and said rates will probably fall to a level that may curb supplies in high-cost producers Australia. The bank cut its estimate for Wheat to $5.40 a bushel from $5.75. Wheat lost 15 percent as global production climbed to the highest ever, according to the U.S. Department of Agriculture. World grain reserves will touch a 15- year high and weigh on wheat prices, according to Abdolreza Abbassian, senior economist at the United Nations' Food & Agriculture Organization.
- **The U.S. Department of Agriculture on their latest report** cut its forecast for global wheat production with an increase in the EU crop more than offset by cuts for Australia, Kazakhstan and North Africa.

Domestic market Outlook:

Wheat cash market is likely to trade steady to firm .

NCDEX Wheat Futures									Date:21:11:2014
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Dec-14	-1	1646	1659	1642	1645	2,960	1,070	5,400	690
Jan-15	-6	1655	1656	1639	1643	110	-60	880	-70
Feb-15	2	1638	1649	1630	1635	300	280	1,490	230

Spread	Oct-14	Nov-14	Dec-14	
Spot				
Dec-14	-15			
Jan-15		-2		
Feb-15			-8	

Stocks	Demat	In- Process	Total	FED
	20.11.2014	20.11.2014	20.11.2014	17.11.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	5764	0	5764	5764
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 20.11.14 (USD/T)							
CONTRACT MONTH	20 Nov 14	Week ago (14 Nov 2014)	1 Month ago(20 Oct 14)	3 Month ago(20 Aug 14)	6 Month ago(20 May 14)	1 Year ago(20 Nov 13)	% Change over previous year
14-Dec	201.06	205.93	188.66	202.07	256.08	247.44	-18.75
15-Mar	202.99	206.75	193.34	208.96	261.41	249.28	-18.57
15-May	205.47	209.23	195.53	213.09	264.16	249.92	-17.79
15-Jul	207.40	211.44	198.03	215.76	263.61	247.44	-16.18
15-Sep	210.61	214.65	201.70	220.26	265.17	249.19	-15.48
15-Dec	214.93	218.79	206.57	225.49	267.65	253.14	-15.09

Wheat Daily Prices and Arrivals on 21.11.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			11/21/2014	11/20/2014	
New Delhi	Lawrence Road	Mill Delivery	1630	1630	Unch
	Narella	Mill Quality(Loose)	1600	1600	Unch
	Nazafgarh	Mill Quality(Loose)	1500	1550	-50
Gujarat	Rajkot	Mill Delivery	1625	1650	-25
	Ahmedabad	Mill Delivery	1700	1710	-10
	Surat	Mill Delivery	1720	1730	-10
Madhya Pradesh	Bhopal	Lokwan	1650	1650	Unch
	Indore	Mill Delivery	1585	1585	Unch
Rajasthan	Kota	Mill Quality(Loose)	1480	1475	5
		Mill Delivery	1560	1560	Unch
Uttar Pradesh	Kanpur	Mill Delivery	1570	1570	Unch
	Mathura	Mill Quality(Loose)	NA	NA	-
	Kosi	Mill Quality(Loose)	1500	1490	10
	Hathras	Mill Quality(Loose)	NA	1510	-

	Aligarh	Mill Quality(Loose)	1500	NA	-
Punjab	Khanna	Mill Quality(Loose)	1480	1480	Unch
	(Ludhiana)Jagraon	Mill Delivery	1560	1560	Unch
Haryana	Sirsa	Mill Quality(Loose)	1495	1495	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality(Loose)	1545	1540	5
	Karnal	Mill Quality(Loose)	NA	NA	-
	Panipat	Mill Quality(Loose)	NA	NA	-
Tamil Nadu	Chennai	Mill Quality(Loose)	1800	1900	-100
	Madurai	Mill Quality(Loose)	1857	1957	-100
	Coimbatore	Mill Quality(Loose)	1857	1957	-100
Bihar	Sitamari	Mill Delivery	1570	1570	Unch
	Khagariya	Mill Delivery	1650	1650	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality(Loose)	NA	NA	-
	Gandhidham(Rajasthan-Kota)	Mill Quality(Loose)	NA	NA	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			11/21/2014	11/20/2014	
New Delhi	Lawrence Road	Mill Delivery	2500	3000	-500
	Narella	Mill Quality(Loose)	700	700	Unch
	Nazafgarh	Mill Quality(Loose)	100	100	Unch
Gujarat	Rajkot	Mill Quality(Loose)	2000	1600	400
	Ahmedabad	Mill Delivery	NA	NA	-
Madhya Pradesh	Bhopal	Mill Quality(Loose)	1200	1200	Unch
	Indore	Mill Quality(Loose)	2000	2000	Unch
Rajasthan	Kota	Mill Quality(Loose)	7000	4000	3000
Uttar Pradesh	Kanpur	Mill Quality(Loose)	600	600	Unch
	Mathura	Mill Quality(Loose)	NA	NA	-
	Kosi	Mill Quality(Loose)	200	150	50
	Hathras	Mill Quality(Loose)	NA	300	-
	Aligarh	Mill Quality(Loose)	300	NA	-
Punjab	Khanna	Mill Quality(Loose)	900	800	100
	(Ludhiana)Jagraon	Mill Quality(Loose)	NA	NA	-
Haryana	Sirsa	Mill Quality(Loose)	300	300	Unch
	Hodal	Mill Quality(Loose)	NA	NA	-
	Karnal	Mill Quality(Loose)	NA	NA	-
	Bhiwani	Mill Quality(Loose)	200	200	Unch
	Panipat	Mill Quality(Loose)	NA	NA	-

Wheat Products Delhi	11/21/2014	11/20/2014	Change
Atta (50kg) Ordinary	985	985	Unch
Maida Grade 1 (90kg)	2202	2202	Unch
Maida Grade 1 (50KG)	1205	1205	Unch
Suji (50kg)	1230	1230	Unch
Chokar (50 kg)	733	733	Unch
Chokar (34 kg)	502	502	Unch
Chakki Atta (50kg)	1040	1040	Unch
Chakki Atta (50kg) Special	985	985	Unch
Chakki Atta (90kg) Superfine	1816	1816	Unch
Chakki Atta (50kg) Superfine	990	990	Unch