

Wheat Domestic Fundamentals:

- **Sowing of wheat in Rajkot region of Gujarat is almost 15% completed**, wheat area in this region may decrease as compare to last year due to lack of water availability and less rain. Wheat area may go to dhaniya or zeera as farmers are getting good prices for these commodities and they need less water as well.
- **As of now Wheat area has slightly increased by 2% in comparison to last year** till date .As per latest update by agriculture ministry wheat coverage during 2014-15 has been registered at 161.57 lakh hectares against corresponding period of 2013-14(159.11 lakh hectares).
- **The Inflation of wheat has decreased to -1.92% in the month of October** as compare to -1.50% in the month of September.WPI has decreased to 209.5 in October as compare to 209.7 in the month of September. Record production and no export demand are the main reason for the decrease in WPI.
- **According to IBIS, export of wheat in the third week of November (17-23 Nov)** was around 16 Thousand Mt. The major export destination of Indian wheat was U.A.E from Kandla port which accounted 15 thousand MT at an average FOB price of \$261.28/Tn .Other countries were Philippines and Malaysia
- **Early sown wheat crop in Punjab Haryana UP Rajasthan and Gujarat** is under tile ring stage and germination is set to be over of the sown seed. In some area farmers are thinking of second irrigation as crop has entered into sprouting stage. Crop in these states are rated good to excellent condition so far one pre monsoon rain is expected at this point of time which may prove more beneficial to the wheat crop.

International Market Update:

- **Russia government might introduce few new regulations to curb exports** to make sure it has enough wheat for domestic use. Russia is a key wheat exporter to North Africa and the Middle East. Russia exports increased due to bumper production and fall in the value of the rouble currency.
- **Australia in its latest report reduced its wheat production forecast by 4%** from 24.23 million tonnes to 23.22 million tones. The main reason behind reduced production is unfavorable weather condition as all of the Australian east coast and South Australia received less than half the average amounts of rainfall over the last three months. The reduced production estimate of Australia, Russia restrictions on grain exports and concerns over U.S. wheat production may further increase global wheat prices.
- **The International Grains Council slightly lowered its forecast** for global wheat production in 2014/15 to 717 million tonnes, up from a previous forecast of 718 million. Unfavorable weather condition across the United State and the Black Sea region is the main reason for decrease in production estimate.
- **Australia wheat export in the 2014/15 season got off to a slow start** as dry weather made farmers unwilling to release supplies and exporters also had to contend with cheaper supplies from the United States. But with concerns over potential disruption to production due to unfavorable weather across the United States and the Black Sea region, Australian supplies are now competitive against other origins.

Domestic market Outlook:

Wheat cash market is likely to trade in consolidation.

NCDEX Wheat Futures								Date:02:12:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Dec-14	1	1651	1660	1644	1655	990	-30	4,960	70
Jan-15	-2	1645	1654	1631	1645	410	400	1,060	120
Feb-15	0	1643	1644	1637	1644	60	30	1,550	10

Spread	Oct-14	Nov-14	Dec-14	
Spot				
Dec-14	-25			
Jan-15		-10		
Feb-15			-1	

Stocks	Demat	In- Process	Total	FED
	01.12.2014	01.12.2014	01.12.2014	01.12.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	815	0	815	815
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 01.12.14 (USD/T)							
CONTRACT MONTH	01 Dec 14	Week ago (25 Nov 2014)	1 Month ago(03 Nov 14)	3 Month ago(03 Sept 14)	6 Month ago(03 June 14)	1 Year ago(03 Dec 13)	% Change over previous year
14-Dec	222.92	202.62	197.75	196.83	237.06	251.67	-11.42
15-Mar	222.92	204.92	202.35	204.46	243.68	253.87	-12.19
15-May	225.03	207.49	204.73	209.33	210.34	253.41	-11.20
15-Jul	226.50	209.42	206.94	212.36	249.10	250.75	-9.67
15-Sep	229.07	212.27	210.70	216.21	252.13	252.86	-9.41
15-Dec	232.47	216.58	215.57	222.09	255.71	256.90	-9.51

Wheat Daily Prices and Arrivals on 02.12.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			12/2/2014	12/1/2014	
New Delhi					
	Lawrence Road	Mill Delivery	1630	1625	5
	Narella	Mill Quality(Loose)	1565	1565	Unch
	Nazafgarh	Mill Quality(Loose)	1550	1540	10
Gujarat	Rajkot	Mill Delivery	1600	1610	-10
	Ahmedabad	Mill Delivery	1690	1700	-10
	Surat	Mill Delivery	1710	1725	-15
Madhya Pradesh	Bhopal	Lokwan	1650	1650	Unch
	Indore	Mill Delivery	1585	1585	Unch
Rajasthan	Kota	Mill Quality(Loose)	1480	1490	-10
		Mill Delivery	1570	1575	-5
Uttar Pradesh	Kanpur	Mill Delivery	1575	1580	-5
	Mathura	Mill Quality(Loose)	NA	NA	-
	Kosi	Mill Quality(Loose)	1480	1480	Unch
	Hathras	Mill Quality(Loose)	1490	NA	-

	Aligarh	Mill Quality(Loose)	1450	1450	Unch
Punjab	Khanna	Mill Quality(Loose)	1450	1460	-10
	(Ludhiana)Jagraon	Mill Delivery	1560	1560	Unch
Haryana	Sirsa	Mill Quality(Loose)	1500	1500	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality(Loose)	1560	1560	Unch
	Karnal	Mill Quality(Loose)	NA	NA	-
	Panipat	Mill Quality(Loose)	NA	NA	-
Tamil Nadu	Chennai	Mill Quality(Loose)	1800	1800	Unch
	Madurai	Mill Quality(Loose)	1857	1857	Unch
	Coimbatore	Mill Quality(Loose)	1857	1857	Unch
Bihar	Sitamari	Mill Delivery	1605	1605	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/QtI)		Change
New Delhi			12/2/2014	12/1/2014	
	Lawrence Road	Mill Delivery	1000	2500	-1500
	Narella	Mill Quality(Loose)	300	350	-50
	Nazafgarh	Mill Quality(Loose)	150	200	-50
Gujarat	Rajkot	Mill Quality(Loose)	1000	1400	-400
	Ahmedabad	Mill Delivery	NA	NA	-
Madhya Pradesh	Bhopal	Mill Quality(Loose)	1200	1000	200
	Indore	Mill Quality(Loose)	1000	1000	Unch
Rajasthan	Kota	Mill Quality(Loose)	6000	6000	Unch
Uttar Pradesh	Kanpur	Mill Quality(Loose)	600	600	Unch
	Mathura	Mill Quality(Loose)	NA	NA	-
	Kosi	Mill Quality(Loose)	150	100	50
	Hathras	Mill Quality(Loose)	200	NA	-
	Aligarh	Mill Quality(Loose)	100	100	Unch
Punjab	Khanna	Mill Quality(Loose)	800	900	-100
	(Ludhiana)Jagraon	Mill Quality(Loose)	NA	NA	-
Haryana	Sirsa	Mill Quality(Loose)	300	200	100
	Hodal	Mill Quality(Loose)	NA	NA	-
	Karnal	Mill Quality(Loose)	NA	NA	-
	Bhiwani	Mill Quality(Loose)	200	300	-100
	Panipat	Mill Quality(Loose)	NA	NA	-

Wheat Products Delhi	12/2/2014	12/1/2014	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)	490	490	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

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