

Wheat Domestic Fundamentals:

- **According to IBIS (provisional data), export of wheat in the month of November** was 0.22 Lakh tones which is around 66% less than last year at the same month, which was 0.65 Lakh tones in 2013. The reason behind the lower export is attributed to disparity from other exporting countries like U.S.A., Russia and Ukraine and high domestic prices.
- **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 tonnes. 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:03:12:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Dec-14	-3	1653	1657	1643	1651	260	-730	4,950	-10
Jan-15	1	1651	1652	1646	1650	160	-250	1,080	20
Feb-15	4	1644	1644	1644	1644	10	-50	1,560	10

Spread	Oct-14	Nov-14	Dec-14	
Spot				
Dec-14	-21			
Jan-15		-1		
Feb-15			-6	

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: 02.12.14 (USD/T)							
CONTRACT MONTH	02 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	222.37	202.62	197.75	196.83	237.06	251.67	-11.64
15-Mar	221.63	204.92	202.35	204.46	243.68	253.87	-12.70
15-May	223.65	207.49	204.73	209.33	210.34	253.41	-11.74
15-Jul	225.12	209.42	206.94	212.36	249.10	250.75	-10.22
15-Sep	227.70	212.27	210.70	216.21	252.13	252.86	-9.95
15-Dec	231.19	216.58	215.57	222.09	255.71	256.90	-10.01

Wheat Daily Prices and Arrivals on 03.12.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			3-Dec-14	02-Dec-14	
Delhi	Lawrence Road	Mill Delivery	1625	1630	-5
	Narella	Mill Quality Loose	NA	1565	-
	Nazafgarh	Mill Quality Loose	NA	1550	-
Gujarat	Rajkot	Mill Delivery	1600	1600	Unch
	Ahmedabad	Mill Delivery	1685	1690	-5
	Surat	Mill Delivery	1705	1710	-5
M.P.	Bhopal	Lokwan	Closed	1650	-
	Indore	Mill Delivery	NA	1585	-
Rajasthan	Kota	Mill Quality Loose	1480	1480	Unch
		Mill Delivery	1570	1570	Unch
U.P.	Kanpur	Mill Delivery	1580	1575	5
	Mathura	Mill Quality	NA	NA	-

		Loose			
	Kosi	Mill Quality Loose	1480	1480	Unch
	Hathras	Mill Quality Loose	1490	1490	Unch
	Aligarh	Mill Quality Loose	Closed	1450	-
Punjab	Khanna	Mill Quality Loose	Closed	1450	-
	(Ludhiana)Jagraon	Mill Delivery	1560	1560	Unch
Haryana	Sirsa	Mill Delivery loose	1500	1500	Unch
	Hodal	Mill Delivery	NA	NA	-
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	1570	1560	10
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1825	1800	25
	Madurai	Mill Quality	1882	1857	25
	Coimbatore	Mill Quality	1882	1857	25
Bihar	Sitamari	Mill Delivery	1590	1605	-15
	Khagariya	Mill Delivery	1650	1650	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality	NA	NA	-
	Gandhidham(Rajasthan-Kota)	Mill Quality	NA	NA	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			3-Dec-14	2-Dec-14	
Delhi	Lawrence Road	Mill Delivery	1500	1000	500
	Narella	Mill Quality Loose	NA	300	-
	Nazafgarh	Mill Quality Loose	NA	150	-
Gujarat	Rajkot	Mill Quality Loose	1000	1000	Unch
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	Closed	NA	-
	Indore	Mill Quality Loose	NA	1000	-
Rajasthan	Kota	Mill Quality	5000	6000	-1000
U.P.	Kanpur	Mill Quality Loose	600	600	Unch
	Mathura	Mill Quality Loose	NA	NA	-

	Kosi	Mill Quality Loose	100	150	-50
	Hathras	Mill Quality Loose	100	200	-100
	Aligarh	Mill Quality Loose	Closed	100	-
Punjab	Khanna	Mill Quality Loose	Closed	800	-
	(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	3-Dec-14	2-Dec-14	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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