

### Wheat Domestic Fundamentals:

- **Wheat stock in govt.'s granary on 01st November was recorded at 30.13 million tonne** against 32.26 million tonne on 1st October, 2014. India needs 8.2 million tonne wheat as buffer stock and 3 million tonne as strategic reserve as on 1st January, 2014. Actual holding with govt. is at comfortable stage and supply side would be ample throughout the season.
- **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.
- **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

### International Market Update:

- **Egypt had purchased 175000 tonnes of wheat from Romania & Ukraine** at an average price of \$271.24/tonne CiF which has to be delivered between 1-10 January. Till now from July 1st, Egypt has bought 2.425 million tonnes of wheat from the international market, in 2013-14 Egypt had purchased 5.46 million tonnes of wheat from abroad in addition to 3.7 million tonnes of local wheat.
- **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:09:12:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Dec-14	-4	1656	1656	1655	1655	20		4490	
Jan-15	0	1661	1661	1661	1661	0		1140	
Feb-15	0	1658	1658	1658	1658	20		1760	

Spread	Oct-14	Nov-14	Dec-14	
Spot				
Dec-14	-25			
Jan-15		6		
Feb-15			-3	

Stocks	Demat	In- Process	Total	FED
	08.12.2014	08.12.2014	08.12.2014	08.12.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	815	0	815	815
Rajkot	-	-	-	-

## Wheat (CBOT) Future:

CBOT Futures Prices: Date: 03.12.14 (USD/T)							
CONTRACT MONTH	03 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	219.34	202.62	197.75	196.83	237.06	251.67	-12.85
15-Mar	216.58	204.92	202.35	204.46	243.68	253.87	-14.69
15-May	218.69	207.49	204.73	209.33	210.34	253.41	-13.70
15-Jul	220.07	209.42	206.94	212.36	249.10	250.75	-12.23
15-Sep	222.55	212.27	210.70	216.21	252.13	252.86	-11.99
15-Dec	226.41	216.58	215.57	222.09	255.71	256.90	-11.87

## Wheat Daily Prices and Arrivals on 09.12.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			9-Dec-14	08-Dec-14	
Delhi	Lawrence Road	Mill Delivery	1630	1625	5
	Narella	Mill Quality Loose	1585	1565	20
	Nazafgarh	Mill Quality Loose	1540	1540	Unch
Gujarat	Rajkot	Mill Delivery	1600	1580	20
	Ahmedabad	Mill Delivery	1680	1680	Unch
	Surat	Mill Delivery	1705	1705	Unch
M.P.	Bhopal	Lokwan	1700	1700	Unch
	Indore	Mill Delivery	1590	1590	Unch
Rajasthan	Kota	Mill Quality Loose	1480	1480	Unch
		Mill Delivery	1560	1560	Unch
U.P.	Kanpur	Mill Delivery	1565	1560	5
	Mathura	Mill Quality	NA	NA	-

		Loose			
	Kosi	Mill Quality Loose	1530	1530	Unch
	Hathras	Mill Quality Loose	1475	1480	-5
	Aligarh	Mill Quality Loose	NA	NA	-
Punjab	Khanna	Mill Quality Loose	1450	1450	Unch
	(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	1560	1570	-10
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1800	1800	Unch
	Madurai	Mill Quality	1857	1857	Unch
	Coimbatore	Mill Quality	1857	1857	Unch
Bihar	Sitamari	Mill Delivery	NA	NA	-
	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
			9-Dec-14	8-Dec-14	
Delhi	Lawrence Road	Mill Delivery	NA	1000	-
	Narella	Mill Quality Loose	80	200	-120
	Nazafgarh	Mill Quality Loose	100	150	-50
Gujarat	Rajkot	Mill Quality Loose	1600	1400	200
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	1200	2000	-800
Rajasthan	Kota	Mill Quality	5000	4500	500
U.P.	Kanpur	Mill Quality Loose	600	500	100
	Mathura	Mill Quality Loose	NA	NA	-

	Kosi	Mill Quality Loose	150	150	Unch
	Hathras	Mill Quality Loose	150	100	50
	Aligarh	Mill Quality Loose	NA	NA	-
Punjab	Khanna	Mill Quality Loose	800	600	200
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	NA	NA	-
	Karnal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	500	300	200
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	9-Dec-14	8-Dec-14	Change
Atta (50kg) Ordinary	965	965	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)	1015	1015	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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