

Wheat Domestic Fundamentals:

- **Wheat prices remain almost stable throughout the country** and no major upheavals are expected at this point of time. Recent rains in various wheat growing belts have ensured better growth of the standing crop especially in Punjab, Haryana, Uttar Pradesh and Rajasthan. Decreasing temperature in growing belt too is beneficial for the wheat crop.
- **As of now Wheat area has slightly decreased by around 4%** in comparison to last year till date .As per latest update by agriculture ministry wheat coverage during 2014-15 has been registered at 241.91 lakh hectares against corresponding period of 2013-14(251.32 lakh hectares).
- **Wheat sowing in lower land in Bihar is running smoothly** while 80 percent sowing in upper land is complete now. The early sowed crop has entered in sprouting stage and farmers are engaged in second irrigation and applying fertilizers to it. The crop condition is good and decreasing temperature in major growing belt is considered beneficial to all wheat crops either in till ring or sprouting stages .Area is likely to increase slightly this year under wheat as harvesting of paddy crop in upper and lower land finished 10 to 15 days earlier. One-two shower of light winter rains expected by next week may ensure better growth of the standing crop. Over all condition of wheat crop throughout the state is satisfactory so far.
- **Ministry of Consumer Affairs, Food & Public Distribution has taken the decision** (effective for kharif 2014-15 and rabi 2015-16) clearly denotes that if any state govt. announces bonus over and above MSP, the center govt will limit procurement according to requirements of food grains for TPDS/OWS. The same is applicable in DCP states too where states procure foodgrains on behalf of central govt.If the states procure more than fixed quantity, they will not only have to bear the burden of additional expenses but also be responsible for the disposal of the surplus quantity.For non DCP states FCI will not take part in procurement oppression if the concerned states decide to offer bonus over and above MSP. The concerned states will be fully responsible to handle the entire procurement oppression including movement and storage and mobilization of resources.
- **The immediate impact of the decision will be lower procurement** by DCP states as no state would like to bear the additional burden and expenses of the surplus procurement. By applying this decision central govt too would ensure to avoid unnecessary burden of unlimited procurement. Besides, it will ensure higher supply of grains in open market and stability in the market to some extent.

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.

Domestic market Outlook:

Wheat cash market is likely to trade steady to slightly firm.

NCDEX Wheat Futures								Date:15:12:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Dec-14	4	1664	1667	1664	1667	180	160	2,340	-460
Jan-15	9	1658	1669	1658	1669	320	180	1,790	0
Feb-15	1	1658	1668	1652	1660	80	-30	2,120	20

Spread	Oct-14	Nov-14	Dec-14	
Spot				
Dec-14	-37			
Jan-15		2		
Feb-15			-9	

Stocks	Demat	In- Process	Total	FED
	13.12.2014	13.12.2014	13.12.2014	08.12.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	815	0	815	815
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 11.12.14 (USD/T)							
CONTRACT MONTH	11 Dec 14	Week ago (03 Dec 2014)	1 Month ago(10 Nov 14)	3 Month ago(10 Sept 14)	6 Month ago(10 June 14)	1 Year ago(10 Dec 13)	% Change over previous year
14-Dec	224.21	219.34	190.04	190.96	234.03	244.05	-8.13
15-Mar	219.52	216.58	193.71	196.93	241.75	246.43	-10.92
15-May	220.53	218.69	196.56	201.15	246.53	246.80	-10.64
15-Jul	220.99	220.07	198.95	204.92	248.64	245.70	-10.06
15-Sep	224.11	222.55	202.44	209.14	251.67	247.54	-9.46
15-Dec	228.61	226.41	207.31	214.65	256.17	250.75	-8.83

Wheat Daily Prices and Arrivals on 15.12.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			12/15/2014	12/13/2014	
New Delhi					
	Lawrence Road	Mill Delivery	1630	1630	Unch
	Narella	Mill Quality(Loose)	1575	1575	Unch
	Nazafgarh	Mill Quality(Loose)	1550	1545	5
Gujarat	Rajkot	Mill Delivery	1640	1610	30
	Ahmedabad	Mill Delivery	1700	1690	10
	Surat	Mill Delivery	730	1725	-995
Madhya Pradesh	Bhopal	Lokwan	1750	1725	25
	Indore	Mill Delivery	1600	NA	-
Rajasthan	Kota	Mill Quality(Loose)	1515	1480	35
		Mill Delivery	1600	1570	30
Uttar Pradesh	Kanpur	Mill Delivery	1565	1565	Unch
	Mathura	Mill Quality(Loose)	NA	NA	-
	Kosi	Mill Quality(Loose)	1600	1530	70

	Hathras	Mill Quality(Loose)	NR	1490	-
	Aligarh	Mill Quality(Loose)	NR	NA	-
Punjab	Khanna	Mill Quality(Loose)	1450	1450	Unch
	(Ludhiana)Jagraon	Mill Delivery	1560	1560	Unch
Haryana	Sirsa	Mill Quality(Loose)	1480	1490	-10
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality(Loose)	1570	1560	10
	Karnal	Mill Quality(Loose)	NA	NA	-
	Panipat	Mill Quality(Loose)	NA	NA	-
Tamil Nadu	Chennai	Mill Quality(Loose)	1850	1800	50
	Madurai	Mill Quality(Loose)	1907	1857	50
	Coimbatore	Mill Quality(Loose)	1907	1857	50
Bihar	Sitamari	Mill Delivery	NR	NA	-
	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
			12/15/2014	12/13/2014	
New Delhi					
	Lawrence Road	Mill Delivery	NA	NA	-
	Narella	Mill Quality(Loose)	200	250	-50
	Nazafgarh	Mill Quality(Loose)	100	100	Unch
Gujarat	Rajkot	Mill Quality(Loose)	1700	1200	500
	Ahmedabad	Mill Delivery	NA	NA	-
Madhya Pradesh	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality(Loose)	500	NA	-
Rajasthan	Kota	Mill Quality(Loose)	3000	6000	-3000
Uttar Pradesh	Kanpur	Mill Delivery	600	500	100
	Mathura	Mill Quality(Loose)	NA	NA	-
	Kosi	Mill Quality(Loose)	100	50	50
	Hathras	Mill Quality(Loose)	NR	150	-
	Aligarh	Mill Quality(Loose)	NR	NA	-
Punjab	Khanna	Mill Quality(Loose)	500	600	-100
	(Ludhiana)Jagraon	Mill Quality(Loose)	NA	NA	-
Haryana	Sirsa	Mill Quality(Loose)	300	200	100
	Hodal	Mill Quality(Loose)	NA	NA	-
	Bhiwani	Mill Quality(Loose)	500	NA	-
	Karnal	Mill Quality(Loose)	NA	300	-
	Panipat	Mill Quality(Loose)	NA	NA	-



Wheat Products Delhi	12/15/2014	12/13/2014	Change
Atta (50kg) Ordinary	935	935	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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