

Wheat Domestic Fundamentals:

- **Wheat stock in govt.'s granary on 01st December was recorded at 27.20 million tonne** against 30.13 million tonne on 1st November, 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.
- **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.

International Market Update:

- **Olam International offers the lowest bid at \$268.47 a tonne (CiF)** among 5 bidders to sell 50,000 tonnes of wheat to Bangladesh. Wheat has to be shipped within 40 days after the approval of Bangladesh purchase committee. Bangladesh is planning to import 900,000 tonnes of wheat in the current fiscal year starting from July that includes 250,000 tonnes of Ukrainian wheat at \$297.50 a tonne (CiF) and other port-related expenses in a government-to-government deal with Ukraine.
- **The U.S. Department of Agriculture on their latest report** raised its forecast for global wheat production with an increase in the Canada and Kazakhstan crop more than offset by cuts by global beginning stock.
- **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.

Domestic market Outlook:

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

NCDEX Wheat Futures								Date:16:12:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Jan-15	2	1666	1673	1662	1668	460	280	2,000	-340
Feb-15	3	1666	1669	1665	1668	60	-260	2,140	350
Mar-15	0	1621	1621	1621	1621	20	-60	660	-1,460

Spread	Oct-14	Nov-14	Dec-14	
Spot				
Jan-15	-38			
Feb-15		0		
Mar-15			-47	

Stocks	Demat	In- Process	Total	FED
	15.12.2014	15.12.2014	15.12.2014	15.12.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	815	0	815	815
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 15.12.14 (USD/T)							
CONTRACT MONTH	15 Dec 14	Week ago (09 Dec 2014)	1 Month ago(17 Nov 14)	3 Month ago(16 Sept 14)	6 Month ago(16 June 14)	1 Year ago(16 Dec 13)	% Change over previous year
14-Dec	227.42	215.20	203.45	188.38	231.19	242.39	-6.18
15-Mar	228.25	216.58	206.02	192.52	235.41	242.58	-5.91
15-May	227.88	217.59	208.50	195.82	237.43	239.91	-5.02
15-Jul	230.64	220.62	211.62	200.14	240.65	241.93	-4.67
15-Sep	234.68	224.48	215.76	206.11	245.33	246.07	-4.63
15-Dec	237.89	227.79	218.97	209.97	247.72	247.63	-3.93

Wheat Daily Prices and Arrivals on 16.12.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			12/16/2014	12/15/2014	
New Delhi					
	Lawrence Road	Mill Delivery	1630	1630	Unch
	Narella	Mill Quality(Loose)	1575	1575	Unch
	Nazafgarh	Mill Quality(Loose)	1550	1550	Unch
Gujarat	Rajkot	Mill Delivery	1650	1640	10
	Ahmedabad	Mill Delivery	1700	1700	Unch
	Surat	Mill Delivery	1730	730	1000
Madhya Pradesh	Bhopal	Lokwan	1700	1750	-50
	Indore	Mill Delivery	1610	1600	10
Rajasthan	Kota	Mill Quality(Loose)	1515	1515	Unch
		Mill Delivery	1600	1600	Unch
Uttar Pradesh	Kanpur	Mill Delivery	1565	1565	Unch
	Mathura	Mill Quality(Loose)	NA	NA	-
	Kosi	Mill Quality(Loose)	1600	1600	Unch

	Hathras	Mill Quality(Loose)	NR	NR	-
	Aligarh	Mill Quality(Loose)	NA	NR	-
Punjab	Khanna	Mill Quality(Loose)	1450	1450	Unch
	(Ludhiana)Jagraon	Mill Delivery	1560	1560	Unch
Haryana	Sirsa	Mill Quality(Loose)	1490	1480	10
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality(Loose)	1570	1570	Unch
	Karnal	Mill Quality(Loose)	NA	NA	-
	Panipat	Mill Quality(Loose)	NA	NA	-
Tamil Nadu	Chennai	Mill Quality(Loose)	1850	1850	Unch
	Madurai	Mill Quality(Loose)	1907	1907	Unch
	Coimbatore	Mill Quality(Loose)	1907	1907	Unch
Bihar	Sitamari	Mill Delivery	1510	NR	-
	Khagariya	Mill Delivery	1600	1650	-50
FOR	Kandla(Rajasthan-Kota)	Mill Quality(Loose)	NA	NA	-
	Gandhidham(Rajasthan-Kota)	Mill Quality(Loose)	NA	NA	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			12/16/2014	12/15/2014	
New Delhi	Lawrence Road	Mill Delivery	NA	NA	-
	Narella	Mill Quality(Loose)	300	200	100
	Nazafgarh	Mill Quality(Loose)	100	100	Unch
Gujarat	Rajkot	Mill Quality(Loose)	1200	1700	-500
	Ahmedabad	Mill Delivery	NA	NA	-
Madhya Pradesh	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality(Loose)	500	500	Unch
Rajasthan	Kota	Mill Quality(Loose)	3000	3000	Unch
Uttar Pradesh	Kanpur	Mill Delivery	400	600	-200
	Mathura	Mill Quality(Loose)	NA	NA	-
	Kosi	Mill Quality(Loose)	100	100	Unch
	Hathras	Mill Quality(Loose)	NR	NR	-
	Aligarh	Mill Quality(Loose)	NA	NR	-
Punjab	Khanna	Mill Quality(Loose)	600	500	100
	(Ludhiana)Jagraon	Mill Quality(Loose)	NA	NA	-
Haryana	Sirsa	Mill Quality(Loose)	300	300	Unch
	Hodal	Mill Quality(Loose)	NA	NA	-
	Bhiwani	Mill Quality(Loose)	300	500	-200
	Karnal	Mill Quality(Loose)	NA	NA	-
	Panipat	Mill Quality(Loose)	NA	NA	-



Wheat Products Delhi	12/16/2014	12/15/2014	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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