

Wheat Domestic Fundamentals:

- **With decreasing temperature and almost favorable weather in major wheat** growing areas wheat production is likely to improve this year despite lower sowed area in major states like Madhya Pradesh and Uttarakhand. Overall wheat area till 12th December, 2014 lags behind by around 4 percent. Area under wheat crop has been registered at 241.91 lakh ha against 251.32 lakh ha in the second week of December.
- **Lower wheat area coverage in Madhya Pradesh has been the major cause** of concern at this point of time and sowing has entered in the last phase here. So it would be very difficult to get recovery in overall wheat area in this state. Area under wheat in the state has been registered at 41.42 lakh ha against 48.89 lakh ha last year, almost 15 percent lower than last year. However, area under wheat in Rajasthan has increased by 5 percent till date. It is likely to compensate loss in Madhya Pradesh to some extent. Wheat area in Rajasthan has been 25 lakh ha so far. In other states progressive sowing is normal and crop condition is good to satisfactory till now.
- **According to IBIS, export of wheat in the second week of December** (08-14 Dec) was around .49 Thousand Mt. The major export destination of Indian wheat was UAE from Mundra port which accounted .12 thousand MT at an average FOB price of \$363.01/Tn. Other countries were Jordan and Malaysia.
- **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.

International Market Update:

- **Egypt had purchased 180000 tonnes of wheat from Russia & France** at an average price of \$262.92/tonne CiF which has to be delivered between 11-20 January. Till now from July 1st, Egypt has bought 2.605 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.
- **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.

Domestic market Outlook:

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

NCDEX Wheat Futures								Date:19:12:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Jan-15	9	1684	1696	1684	1693	780	-460	3,200	460
Feb-15	8	1633	1694	1633	1690	560	250	2,390	100
Mar-15	8	1659	1659	1641	1650	180	90	810	80

Spread	Oct-14	Nov-14	Dec-14	
Spot				
Jan-15	-18			
Feb-15		-3		
Mar-15			-40	

Stocks	Demat	In- Process	Total	FED
	18.12.2014	18.12.2014	18.12.2014	15.12.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	815	49	864	815
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 18.12.14 (USD/T)							
CONTRACT MONTH	18 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	240.74	215.20	203.45	188.38	231.19	242.39	-0.68
15-Mar	241.29	216.58	206.02	192.52	235.41	242.58	-0.53
15-May	240.28	217.59	208.50	195.82	237.43	239.91	0.15
15-Jul	242.76	220.62	211.62	200.14	240.65	241.93	0.34
15-Sep	246.16	224.48	215.76	206.11	245.33	246.07	0.04
15-Dec	248.18	227.79	218.97	209.97	247.72	247.63	0.22

Wheat Daily Prices and Arrivals on 19.12.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			12/19/2014	12/18/2014	
New Delhi	Lawrence Road	Mill Delivery	1675	1630	45
	Narella	Mill Quality(Loose)	Closed	1590	-
	Nazafgarh	Mill Quality(Loose)	1565	1565	Unch
Gujarat	Rajkot	Mill Delivery	1670	1670	Unch
	Ahmedabad	Mill Delivery	1700	1700	Unch
	Surat	Mill Delivery	1750	1750	Unch
Madhya Pradesh	Bhopal	Lokwan	1700	1700	Unch
	Indore	Mill Delivery	1650	1650	Unch
Rajasthan	Kota	Mill Quality(Loose)	1525	1525	Unch
		Mill Delivery	1625	1625	Unch
Uttar Pradesh	Kanpur	Mill Delivery	1565	1570	-5
	Mathura	Mill Quality(Loose)	1550	1550	Unch
	Kosi	Mill Quality(Loose)	1600	1600	Unch

	Hathras	Mill Quality(Loose)	1500	1500	Unch
	Aligarh	Mill Quality(Loose)	1450	1450	Unch
Punjab	Khanna	Mill Quality(Loose)	1450	1450	Unch
	(Ludhiana)Jagraon	Mill Delivery	1560	1560	Unch
Haryana	Sirsa	Mill Quality(Loose)	1490	1500	-10
	Hodal	Mill Delivery	1610	1610	Unch
	Bhiwani	Mill Quality(Loose)	1580	1590	-10
	Karnal	Mill Delivery	1550	1550	Unch
	Panipat	Mill Quality(Loose)	NA	NA	-
Tamil Nadu	Chennai	Mill Quality(Loose)	1825	1825	Unch
	Madurai	Mill Quality(Loose)	1882	1882	Unch
	Coimbatore	Mill Quality(Loose)	1882	1882	Unch
Bihar	Sitamari	Mill Delivery	1500	1490	10
	Khagariya	Mill Delivery	1600	1600	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
New Delhi			12/19/2014	12/18/2014	
	Lawrence Road	Mill Delivery	NA	NA	-
	Narella	Mill Quality(Loose)	Closed	300	-
	Nazafgarh	Mill Quality(Loose)	150	200	-50
Gujarat	Rajkot	Mill Quality(Loose)	1800	1800	Unch
	Ahmedabad	Mill Delivery	NA	NA	-
Madhya Pradesh	Bhopal	Lokwan	700	700	Unch
	Indore	Mill Quality(Loose)	1000	1000	Unch
Rajasthan	Kota	Mill Quality(Loose)	6000	6000	Unch
Uttar Pradesh	Kanpur	Mill Delivery	400	600	-200
	Mathura	Mill Quality(Loose)	300	500	-200
	Kosi	Mill Quality(Loose)	100	100	Unch
	Hathras	Mill Quality(Loose)	200	200	Unch
	Aligarh	Mill Quality(Loose)	100	100	Unch
Punjab	Khanna	Mill Quality(Loose)	500	700	-200
	(Ludhiana)Jagraon	Mill Quality(Loose)	NA	NA	-
Haryana	Sirsa	Mill Quality(Loose)	200	300	-100
	Hodal	Mill Quality(Loose)	20	40	-20
	Bhiwani	Mill Quality(Loose)	200	400	-200
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality(Loose)	NA	NA	-



Wheat Products Delhi	12/19/2014	12/18/2014	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)	748	733	15
Chokar (34 kg)	505	490	15
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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