

Wheat Domestic Fundamentals:

- **Wheat stock in govt.'s granary on 15th December was recorded at 26.38 million tonne** against 27.20 million tonne on 1st December, 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.
- **Rake loading by private trade has decreased considerably in the second fortnight of December.** Fresh demand may be seen in the second week of January. Recent firmness in wheat market is due to seasonal factors. Farmers are engaged in sowing activities and arrivals from their end have decreased considerably. Demands in domestic market remain normal against lower supply. Flour millers may turn to central pool stock to meet their immediate demands.
- **Despite delayed sowing in lower land in Bihar and Uttar Pradesh crop condition** of standing crop is satisfactory so far. Decreasing temperature remains favorable for wheat crop and no major fall in production is expected at this point of time. Almost 80 percent sowing has been completed and one -two showers of winter rains may ensure better growth for sprouting stages.
- **During last two weeks coverage area under wheat has recovered considerably** on the back of favorable weather condition in major growing states. The considerable increase has been registered in Madhya Pradesh where it is now (46.82 lakh hectares) 103 percent in comparison to normal area (45.18 lakh hectares) of the state. However it is lagging behind by around 10 % from last year area (51.93 lakh hectares) coverage till 19 December. Overall wheat area coverage has reached 92% in comparison to normal area so far.

International Market Update:

- **Romanian wheat was offered lowest at \$313.00 a tonne (CiF) in a tender from Iraq's** state grains board of at least 50,000 tonnes of hard wheat. The tender called for wheat only from the United States, Canada, Australia, Ukraine, Russia and Romania. No offers for Russian wheat were made after the Russian government imposed informal measures to restrain exports while others offer were Ukrainian at \$322.97, Australian at \$325.93, Canadian at \$331.65 and U.S. at \$333.87.
- **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 weak.

NCDEX Wheat Futures								Date:29:12:2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
Jan-15	-10	1712	1716	1693	1705	880		2,280	
Feb-15	-7	1724	1724	1700	1709	290		2,410	
Mar-15	-12	1653	1660	1650	1658	320		1,030	

Spread	Oct-14	Nov-14	Dec-14	
Spot				
Jan-15	-25			
Feb-15		4		
Mar-15			-51	

Stocks	Demat	In- Process	Total	FED
	27.12.2014	27.12.2014	27.12.2014	22.12.2014
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	864	0	864	864
Rajkot	-	-	-	-

Wheat (CBOT) Future:

CBOT Futures Prices: Date: 26.12.14 (USD/T)							
CONTRACT MONTH	26 Dec 14	Week ago (22 Dec 2014)	1 Month ago(28 Nov 14)	3 Month ago(30 Sept 14)	6 Month ago(30 June 14)	1 Year ago(30 Dec 13)	% Change over previous year
14-Dec	224.39	229.90	212.54	180.21	227.51	236.61	-5.16
15-Mar	225.86	231.19	214.75	183.24	232.29	236.97	-4.69
15-May	226.50	231.74	216.40	185.35	235.87	235.23	-3.71
15-Jul	228.98	234.22	219.15	189.39	239.91	237.62	-3.63
15-Sep	232.84	237.62	222.74	232.10	243.86	241.57	-3.61
15-Dec	234.40	238.53	226.13	236.15	245.97	243.77	-3.84

Wheat Daily Prices and Arrivals on 29.12.2014

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			29-Dec-14	27-Dec-14	
Delhi					
	Lawrence Road	Mill Delivery	1680	1680	Unch
	Narella	Mill Quality Loose	1625	1610	15
	Nazafgarh	Mill Quality Loose	1625	1630	-5
Gujarat	Rajkot	Mill Delivery	1740	1725	15
	Ahmedabad	Mill Delivery	1760	1750	10
	Surat	Mill Delivery	1790	1780	10
M.P.	Bhopal	Lokwan	1700	1750	-50
	Indore	Mill Delivery	1690	1700	-10
Rajasthan	Kota	Mill Quality Loose	1580	1575	5
		Mill Delivery	1650	1650	Unch
U.P.	Kanpur	Mill Delivery	1580	1580	Unch
	Mathura	Mill Quality Loose	1600	1600	Unch
	Kosi	Mill Quality Loose	1600	1600	Unch
	Hathras	Mill Quality Loose	1535	NR	-

	Aligarh	Mill Quality Loose	1530	1530	Unch
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	1680	1635	45
	Karnal	Mill Delivery	NA	1550	-
	Bhiwani	Mill Quality Loose	1630	1630	Unch
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1850	1825	25
	Madurai	Mill Quality	1907	1882	25
	Coimbatore	Mill Quality	1907	1882	25
Bihar	Sitamari	Mill Delivery	1520	Closed	-
	Khagariya	Mill Delivery	1800	1800	Unch
FOR	Kandla(Rajasthan-Kota)	Mill Quality	1700	1700	Unch
	Gandhidham(Rajasthan-Kota)	Mill Quality	1700	1700	Unch

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			29-Dec-14	27-Dec-14	
	Lawrence Road	Mill Delivery	NA	NA	-
	Narella	Mill Quality Loose	150	150	Unch
	Nazafgarh	Mill Quality Loose	100	100	Unch
Gujarat	Rajkot	Mill Quality Loose	1400	800	600
	Ahmedabad	Mill Delivery	NA	NA	-
M.P.	Bhopal	Lokwan	NA	NA	-
	Indore	Mill Quality Loose	500	1000	-500
Rajasthan	Kota	Mill Quality	5000	4000	1000
U.P.	Kanpur	Mill Quality Loose	500	500	Unch
	Mathura	Mill Quality Loose	150	200	-50
	Kosi	Mill Quality Loose	100	100	Unch
	Hathras	Mill Quality Loose	250	NR	-
	Aligarh	Mill Quality Loose	100	100	Unch
Punjab	Khanna	Mill Quality Loose	500	500	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	300	200	100
	Hodal	Mill Quality Loose	70	50	20
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	500	300	200
	Panipat	Mill Quality Loose	NA	NA	-



Wheat Products Delhi	29-Dec-14	27-Dec-14	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	748	Unch
Chokar (34 kg)	505	505	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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