

Wheat Domestic Fundamentals:

More or less steady sentiments witnessed in major cash markets of wheat on Friday.

Wheat export during week ended 20 Nov-2015 was registered at 303.16 tonne at an ave FoB price of \$303.16 per tonne. The highest price realized for Durum variety (\$458.94 per tonne. Export volume decrease by 23.61 % from last week. There is no hope for higher export volume due to disparity. Indian wheat is \$40 per tonne higher than other competitor's quotes. There was no import last week. Higher import duty (25%) remains restrictive for any fresh deal..

Wheat cash markets may move up in the fourth quarter as production will decrease below 88 MMT under current condition. Wheat is being traded at Rs 1500 to Rs 1650 per qtl. in various mandis in central ,north and west Indian markets and firmness may be seen once again if sowing gets delayed by another one week in Bihar and UP.

The factors that may lend support to cash markets are lower area coverage, moisture stress, higher MSP for wheat and increasing fear of lower yield this year. Farmers in Bihar, Uttar Pradesh, M.P and Rajasthan may shift some wheat area to others lucrative cash crops like Mustard, Chana, Maize, Potato and other green vegetables due to lower rainfall and resultant lower soil moisture level. Around 3 to 4 percent lower area coverage seems very much in sight. It may end up with 29 million ha.

Wheat has been sown only in 79 lakh ha so far against normal of 110 lakh ha, almost lower by 28 % from previous year as on 20,Nov-2015. It would be very difficult to cover normal area and late sowing would reduce yield of wheat crop considerably -it is feared now. Rainfall for the country as a whole has been 35 per cent below normal rainfall during October 1 to November 11. Coming after a 14 per cent deficient monsoon season (June-September), the possibility of a poor rabi crop, after lower kharif production would definitely reduce yield and final crop size.

India increases MSP of wheat by 5.2 percent from Rs 1450 to Rs 1525 for MY 2016-17. Earlier CACP had recommended to hike wheat MSP By Rs 75 per qtl. Govt buys wheat and rice every year to maintain buffer stock and for distribution for various welfare schemes.

Agricultural Statistics Division, Directorate of Economics & Statistics (DES) has released First Adv. Estimate for kharif crop for 2015-16 on 16th Sept,2015. Production target for wheat in Rabi has been set at 94.75 lakh tonne. In fourth adv. estimate it has revised wheat production estimate for 2014-15 to 90.78 lakh tonne. Notably, India has produced 95.85 million tonne wheat in 2013-14.

International Market Update:

Winter wheat planting is 96% complete, compared to 94% last week and a 100% five-year average. Ninety percent of the crop is emerged, compared to 87% last week and a 90% five-year average. Out of them 53% of winter wheat has been rated good-to-excellent. Overall condition have improved significantly and US may expect good crop this year.

IGC has revised world wheat production forecast down by 1 MMT from 727 to 726MMT in end Oct ,2015. Global trade figure too has been revised up by 1 MMT from 149 MMT to 150 MMT. Consumption has been pegged 1 MMT lower to 718 MMT. World carry over stock has been decreased by 2 MMT to 209 MMT..Overall outlook for global wheat market remains bearish in the short to medium term.

Rough weather in Ukraine may impact wheat export in 2016-17 and it may decrease to 3.5 MMT. This year(2015-16) Ukraine may export 16.5 MMT wheat. Ukraine,s eastern, central and southern regions are facing dry weather and farmers left 11 percent area out of normal unsowed. Production estimate has been cut by 8 percent to 17.5 percent.

Domestic market Outlook: Wheat cash market is likely trade range bound with weak bias likely to continue

Wheat Futures Contact: NCDEX Price							Date:27.11.2015		
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
15-Dec	-3.00	1675.00	1675.00	1656.00	1663.00	960	160	2890	100
16-Jan	+9.00	1671.00	1680.00	1680.00	1680.00	10	10	10	0
16-Feb	0.00	1692.00	1692.00	1692.00	1692.00	-	-	10	-

Spread	Dec-15	Jan-16	Feb-16	Mar-16
Spot Narela				
15-Dec	-13			
16-Jan		17		
16-Feb			12	

Stocks	Demat	In- Process	Total	FED
	26-Nov-15	26-Nov-15	26-Nov-15	23-Nov-15
Delhi				
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	7271	0	7271	7271
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 27.11.2015

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			27-Nov-15	26-Nov-15	
Delhi	Lawrence Road	Mill Delivery	1685	1680	5
	Narella	Mill Quality Loose	1650	NR	-
	Nazafgarh	Mill Quality Loose	1615	1615	Unch
Gujarat	Rajkot	Mill Delivery	1620	1620	Unch
	Ahmedabad	Mill Delivery	1635	1650	-15
	Dhrol	Loose	NR	NR	-
	Surat	Mill Delivery	1660	1670	-10
M.P.	Bhopal	Lokwan	1525	1525	Unch
	Indore	Mill Delivery	1650	1650	Unch
Rajasthan	Kota	Mill Quality Loose	1510	1510	Unch
		Mill Delivery	1600	1600	Unch
U.P.	Kanpur	Mill Delivery	1570	1570	Unch
	Mathura	Mill Quality Loose	1515	1520	-5
	Kosi	Mill Quality Loose	1500	1500	Unch
	Hathras	Mill Quality Loose	1525	1525	Unch
	Aligarh	Mill Quality Loose	NA	NA	-
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1565	1565	Unch
	Hodal	Mill Delivery	NA	NA	-
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1625	1610	15
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1850	1850	Unch
	Madurai	Mill Quality	1907	1907	Unch
	Coimbatore	Mill Quality	1907	1907	Unch
Bihar	Sitamari	Mill Quality	1610	1610	Unch

	Khagariya	Mill Quality	1850	1850	Unch
FOR	Kandla(Gujarat-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham(Gujarat-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			27-Nov-15	26-Nov-15	
Gujarat	Rajkot	Lokwan	1800	1900	-100
	Dhrol	Lokwan	NR	NR	-
M.P.	Indore	Lokwan	1900	1900	Unch
	Bhopal	Lokwan	1700	1700	Unch
	Bina	Sarbati 306	0	NR	-
Rajasthan	Kota	Lokwan Bilty	1715	1715	Unch
	Baran	Lokwan	NA	NA	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			27-Nov-15	26-Nov-15	
Delhi	Lawrence Road	Mill Delivery	4000	4500	-500
	Narella	Mill Quality Loose	1000	NR	-
	Nazafgarh	Mill Quality Loose	100	150	-50
Gujarat	Rajkot	Mill Quality Loose	900	1200	-300
	Dhrol	Mill Delivery	NR	NR	Unch
M.P.	Indore	Mill Quality Loose	2000	3000	-1000
Rajasthan	Kota	Mill Quality	2000	4000	-2000
U.P.	Kanpur	Mill Quality Loose	400	500	-100
	Mathura	Mill Quality Loose	125	150	-25
	Kosi	Mill Quality Loose	500	250	250
	Hathras	Mill Quality Loose	200	200	Unch
	Aligarh	Mill Quality Loose	NA	NA	-
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	100	100
	Hodal	Mill Quality Loose	NA	NA	-
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	500	500	Unch

Wheat Products Delhi			27-Nov-15	26-Nov-15	Change
Atta (50kg) Ordinary			875	875	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	NA	NA	-
Chakki Atta (90kg) Superfine	1861	1861	Unch
Chakki Atta (50kg) Superfine	NA	NA	-

Wheat (CBOT) Future Price: 25.11.2015					
Contract Month	Open	High	Low	Close	Change
15-Dec	484.00	487.50	479.00	479.25	-5.00
16-Mar	488.50	492.50	487.25	487.50	-1.00
16-May	493.00	496.50	491.75	492.50	-0.25
16-Jul	499.25	501.00	497.00	497.50	0.50
16-Sep	507.00	509.75	506.00	506.75	0.75
16-Dec	523.00	523.75	520.00	520.75	1.25

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