

### Wheat Domestic Fundamentals:

**Wheat cash market traded steady to slightly weak despite unmoved futures.** Wheat sowing in Punjab has entered in last phase now. This year sowing delayed by two to three weeks due to late harvesting of Pusa -44 and sugarcane. Punjab has covered 90 percent area while Haryana has covered 17 lakh ha so far. Punjab farmers may sow wheat in 35 lakh ha. Prevailing warm weather is still a concern for farmers and agriculture department. If warm weather continues there may be a yield loss.

**In Punjab last year wheat was sown in over 35 lakh hectares and it saw a production of 152.75 lakh tonnes.** In Haryana, meanwhile last year the total area under wheat was 26 lakh hectares and it produced 103 lakh tonnes.

**India exported 471.60 tonne wheat during the week ending 29<sup>th</sup> Nov-2015** at an average price of \$303.55 per tonne. Around 200 kg wheat has been imported from Mexico by air during the same period and it landed in Delhi last week as per IBIS data. Ave CiF was registered at \$122.34 per tonne. However, there is no parity for wheat import and volume would remain negligible in the months ahead.

**Wheat has been sown only in 117.32 lakh ha so far(till 27<sup>th</sup> Nov-2015), almost lower by 27.38 % from previous year till corresponding date.** As sowing activities have increased, recovery in area to some extent is expected now. However, late sowing may reduce yield of wheat crop -it is feared now. Rainfall for the country as a whole has been 25 per cent below normal rainfall during October 1 to November 25, 2015. Coming after a 14 per cent deficient monsoon season (June-September), the possibility of a poor rabi crop, after lower kharif production, seems clear in the sight.

**Major wheat growing states like Punjab has covered 4.8 % lower area** so far(26.16 against 27.16 lakh ha), Haryana has covered 22.73 % lower area(15.60 against 20.19 lakh ha), Rajasthan-21.22 % lower area(12.21 against 15.50 lakh ha), Madhya Pradesh lower by 22.12%(23.69 against 30.42 lakh ha) and Uttar Pradesh lower by 51.82 % (25.27 against 52.27 lakh ha so far. Situation is not normal at sowing front and despite likely recovery production is bound to decrease this year. Against normal year's ave of area(295.74 lakh ha), total area was registered at 117.32 lakh ha against 161.57 last year as on 27.11.2015.

**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:

**Jordan has brought 1lakh tonne wheat through tender at \$235 a tonne** on CiF basis and shipment is scheduled to be delivered in the second fortnight of February. Previously two tenders of same quantity have been cancelled due to lack of offers. Tough terms had discouraged bidders two weeks ago. Additional one lakh tonne wheat is being sought once again.

**Australia has revised its wheat production estimate down by 5.1 % to 24 MMT in 2015-16** due to El Nino impact that has affected yield. Earlier In Sept it had estimated 25.3 MMT wheat production. Last year Australia had produced 23.7 MMT. Winter-crop harvesting is largely complete across Queensland and is progressing in other states.

**IGC wheat production estimate remained unchanged this month too at 726 MMT.** However, trade estimate has been revised up by 1 MMT to 151 MMT. Consumption estimate has been raised from 718 to 720 MMT in the month of Nov-2015. Similarly carryout stock has been revised 1MMT down from 209 to 208MMT.

**Domestic market Outlook:** Wheat cash market is likely trade range bound.

| Wheat Futures Contact: NCDEX Price |                      |      |      |      |       |     | Date:04.12.2015       |      |                       |
|------------------------------------|----------------------|------|------|------|-------|-----|-----------------------|------|-----------------------|
| Contract Month                     | Ch from previous day | Open | High | Low  | Close | Vol | Ch. From previous day | OI   | Ch. From previous day |
| 15-Dec                             | -7                   | 1663 | 1663 | 1647 | 1650  | 600 | -330                  | 2520 | 80                    |
| 16-Jan                             | -15                  | 1675 | 1671 | 1662 | 1668  | 90  | -50                   | 340  | 60                    |
| 16-Feb                             | 0                    | 1685 | 1685 | 1685 | 1685  | -   | -                     | -    | -                     |

| Spread             | Dec-15 | Jan-16 | Feb-16 | Mar-16 |
|--------------------|--------|--------|--------|--------|
| <b>Spot Narela</b> |        |        |        |        |
| <b>15-Dec</b>      | 10     |        |        |        |
| <b>16-Jan</b>      |        | 18     |        |        |
| <b>16-Feb</b>      |        |        | -      |        |

| Stocks        | Demat           | In- Process     | Total           | FED              |
|---------------|-----------------|-----------------|-----------------|------------------|
|               | <b>3-Dec-15</b> | <b>3-Dec-15</b> | <b>3-Dec-15</b> | <b>30-Nov-15</b> |
| <b>Delhi</b>  |                 |                 |                 |                  |
| <b>Itarsi</b> | -               | -               | -               | -                |
| <b>Kanpur</b> | -               | -               | -               | -                |
| <b>Kota</b>   | 1846            | 0               | 1846            | 7082             |
| <b>Rajkot</b> | -               | -               | -               | -                |

**Wheat Daily Prices and Arrivals on 4.12.2015**

| Centre            | Market                 | Variety             | Prices (Rs/Qtl) |          | Change |
|-------------------|------------------------|---------------------|-----------------|----------|--------|
|                   |                        |                     | 4-Dec-15        | 3-Dec-15 |        |
| <b>Delhi</b>      | Lawrence Road          | Mill Delivery       | 1685            | 1685     | Unch   |
|                   | Narella                | Mill Quality Loose  | 1660            | 1660     | Unch   |
|                   | Nazafgarh              | Mill Quality Loose  | 1625            | 1630     | -5     |
| <b>Gujarat</b>    | Rajkot                 | Mill Delivery       | 1600            | 1600     | Unch   |
|                   | Ahmedabad              | Mill Delivery       | 1640            | 1640     | Unch   |
|                   | Dhrol                  | Loose               | 1745            | 1745     | Unch   |
|                   | Surat                  | Mill Delivery       | 1670            | 1660     | 10     |
| <b>M.P.</b>       | Bhopal                 | Lokwan              | 1525            | 1520     | 5      |
|                   | Indore                 | Mill Delivery       | 1650            | 1650     | Unch   |
| <b>Rajasthan</b>  | Kota                   | Mill Quality Loose  | 1510            | 1510     | Unch   |
|                   |                        | Mill Delivery       | 1610            | 1610     | Unch   |
| <b>U.P.</b>       | Kanpur                 | Mill Delivery       | 1565            | 1565     | Unch   |
|                   | Mathura                | Mill Quality Loose  | 1525            | 1530     | -5     |
|                   | Kosi                   | Mill Quality Loose  | 1500            | 1520     | -20    |
|                   | Hathras                | Mill Quality Loose  | NR              | NR       | -      |
|                   | Aligarh                | Mill Quality Loose  | 1550            | 1550     | Unch   |
| <b>Punjab</b>     | Khanna                 | Mill Quality Loose  | NA              | NA       | -      |
|                   | (Ludhiana)Jagraon      | Mill Delivery       | NA              | NA       | -      |
| <b>Haryana</b>    | Sirsa                  | Mill Delivery loose | 1560            | 1560     | Unch   |
|                   | Hodal                  | Mill Delivery       | NA              | NA       | -      |
|                   | Karnal                 | Mill Delivery       | NA              | NA       | -      |
|                   | Bhiwani                | Mill Quality Loose  | 1625            | 1625     | Unch   |
|                   | Panipat                | Mill Quality Loose  | NA              | NA       | -      |
| <b>Tamil Nadu</b> | Chennai                | Mill Quality        | 1850            | 1850     | Unch   |
|                   | Madurai                | Mill Quality        | 1907            | 1907     | Unch   |
|                   | Coimbatore             | Mill Quality        | 1907            | 1907     | Unch   |
| <b>Bihar</b>      | Sitamari               | Mill Quality        | 1620            | 1615     | 5      |
|                   | Khagariya              | Mill Quality        | 1800            | 1800     | Unch   |
| <b>FOR</b>        | Kandla(Gujarat-Rajkot) | Mill Quality        | NA              | NA       | -      |

|  |                            |              |    |    |   |
|--|----------------------------|--------------|----|----|---|
|  | Gandhidham(Gujarat-Rajkot) | Mill Quality | NA | NA | - |
|--|----------------------------|--------------|----|----|---|

| Centre    | Market | Variety      | Prices (Rs/Qtl) |          | Change |
|-----------|--------|--------------|-----------------|----------|--------|
|           |        |              | 4-Dec-15        | 3-Dec-15 |        |
| Gujarat   | Rajkot | Lokwan       | 1900            | 1900     | Unch   |
|           | Dhrol  | Lokwan       | 1950            | 2040     | -90    |
| M.P.      | Indore | Lokwan       | 1900            | 1900     | Unch   |
|           | Bhopal | Lokwan       | 1700            | 1700     | Unch   |
|           | Bina   | Sarbati 306  | 2550            | 2550     | Unch   |
| Rajasthan | Kota   | Lokwan Bilty | 1725            | 1725     | Unch   |
|           | Baran  | Lokwan       | NA              | NA       | -      |

| Centre    | Market             | Variety            | Arrivals (Bags/Qtl) |          | Change |
|-----------|--------------------|--------------------|---------------------|----------|--------|
|           |                    |                    | 4-Dec-15            | 3-Dec-15 |        |
| Delhi     | Lawrence Road      | Mill Delivery      | 2500                | 2500     | Unch   |
|           | Narella            | Mill Quality Loose | 300                 | 400      | -100   |
|           | Nazafgarh          | Mill Quality Loose | 100                 | 150      | -50    |
| Gujarat   | Rajkot             | Mill Quality Loose | 600                 | 700      | -100   |
|           | Dhrol              | Mill Delivery      | 2                   | 11       | Unch   |
| M.P.      | Indore             | Mill Quality Loose | 2000                | 2200     | -200   |
| Rajasthan | Kota               | Mill Quality       | 5000                | 5000     | Unch   |
| U.P.      | Kanpur             | Mill Quality Loose | 300                 | 400      | -100   |
|           | Mathura            | Mill Quality Loose | 250                 | 200      | 50     |
|           | Kosi               | Mill Quality Loose | 400                 | 500      | -100   |
|           | Hathras            | Mill Quality Loose | NR                  | NR       | -      |
|           | Aligarh            | Mill Quality Loose | 300                 | 400      | -100   |
| Punjab    | Khanna             | Mill Quality Loose | NA                  | NA       | -      |
|           | (Ludhiana).Jagraon | Mill Quality Loose | NA                  | NA       | -      |
| Haryana   | Sirsa              | Mill Quality Loose | 100                 | 200      | -100   |
|           | Hodal              | Mill Quality Loose | NA                  | NA       | -      |
|           | Karnal             | Mill Delivery      | NA                  | NA       | -      |
|           | Bhiwani            | Mill Quality Loose | 1500                | 700      | 800    |

| Wheat Products Delhi |  | 4-Dec-15 | 3-Dec-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: 3.12.2015 |        |        |        |        |        |
|--------------------------------------|--------|--------|--------|--------|--------|
| Contract Month                       | Open   | High   | Low    | Close  | Change |
| 15-Dec                               | 452.00 | 469.00 | 452.00 | 464.75 | 12.50  |
| 16-Mar                               | 467.00 | 484.00 | 466.00 | 478.75 | 11.50  |
| 16-May                               | 474.00 | 490.75 | 473.25 | 486.00 | 11.75  |
| 16-Jul                               | 481.25 | 497.75 | 480.75 | 492.75 | 11.00  |
| 16-Sep                               | 492.00 | 507.50 | 492.00 | 503.00 | 10.50  |
| 16-Dec                               | 508.00 | 521.75 | 506.50 | 517.00 | 9.50   |

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