

Wheat Domestic Fundamentals:

Wheat cash and futures markets traded firm on restricted arrivals and firm futures. Slower pace of sowing and fear of late shown wheat remain supportive to the wheat market fundamentals. Sowing is on and wheat area may decrease by one million ha from last year (30.6 million Ha.) It would reduce the final size of the crop in between 84 to 85 MMT this year. India produced 94.74 MMT wheat last year.

Sowing of Rabi crop has been delayed at least by two weeks and it may affect yield for late sowed wheat. The late onset of winter and exceptionally dry conditions after the weak monsoon and 25 percent lower post winter rains have prompted late crop sowing by farmers. Given the abnormal weather condition Rabi production is bound to decrease this year.

All India Wheat area coverage was reported 26.88 % lower than last year as on 04.12.2015. As per latest sowing progress release total wheat area till 4th Dec-2015 was registered at 152.56 lakh ha against 208.64 lakh ha last year. It was lagging behind by 27.39 percent last week. Slight improvement in coverage area has been noticed. It increased from 117 to 156 lakh ha in last one week.

Wheat coverage area in all major states except Punjab is running way behind from last year. Uttar Pradesh has covered 40.85 lakh ha till 4th Dec-2015, lower by 42.65 % from last year. It had covered 71.23 lakh ha last year till 4th Dec-2014. Madhya Pradesh has covered only 24 lakh ha against 39.23 lakh ha last year, lower by 38.82 % so far. Rajasthan, Gujarat have covered 18.26 (19.75 (last year) and 2.99 (5.19) lakh ha so far, lower by 42.28 % till 4th December-2015. Haryana has covered 20.00 lakh ha against 22.36 lakh ha last year, lower by 10.55 %. Punjab is the only state where wheat sowing is running ahead of schedule and it has covered 31.36 against 29.9 lakh ha so far. It is higher by 4.88 %. Situation is even worse in Bihar where only 2.84 lakh ha area has been covered so far, lower by 63.40 % till 4th Dec-2015.

India exported 471.60 tonne wheat during the week ending 29th 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. There was no export-import last week.

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:

Ukraine Agriculture ministry has revised its grain production estimate up by 0.5 MMT to 61 MMT for 2016. Weather turns favorable and winter wheat crop condition has improved considerably in recent weeks. A few weeks ago more than 30 percent of the crop was in a poor state while now the acreage of poor crop is not more than 17 percent.

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 1 MMT down from 209 to 208 MMT.

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

Wheat Futures Contact: NCDEX Price							Date: 11.12.2015		
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
15-Dec	20	1654	1680	1653	1680	890	520	1880	-120
16-Jan	14	1678	1700	1678	1700	310	210	740	300
16-Feb	0					-	-	-	-

Spread	Dec-15	Jan-16	Feb-16	Mar-16
Spot Narela				
15-Dec	30			
16-Jan		20		
16-Feb			-	

Stocks	Demat	In- Process	Total	FED
	10-Dec-15	10-Dec-15	10-Dec-15	7-Dec-15
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	1985	0	1985	1816
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 11.12.2015

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			11-Dec-15	10-Dec-15	
Delhi	Lawrence Road	Mill Delivery	1690	1690	Unch
	Narella	Mill Quality Loose	1650	1650	Unch
	Nazafgarh	Mill Quality Loose	1625	1625	Unch
	Rajkot	Mill Delivery	1590	1590	Unch
Gujarat	Ahmedabad	Mill Delivery	1650	1640	10
	Dhrol	Mill Quality Loose	NR	NR	-
	Surat	Mill Delivery	1680	1660	20
	Bhopal	Mill Quality Loose	Closed	1510	-
M.P.	Indore	Mill Delivery	Closed	1630	-
	Kota	Mill Quality Loose	Closed	1525	-
Rajasthan		Mill Delivery	Closed	1610	-
U.P.	Kanpur	Mill Delivery	1565	1565	Unch
	Mathura	Mill Quality Loose	1530	1540	-10
	Kosi	Mill Quality Loose	1530	1525	5
	Hathras	Mill Quality Loose	NR	NR	-
	Aligarh	Mill Quality Loose	1550	1510	40
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1550	1550	Unch
	Hodal	Mill Delivery	NA	NA	-
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1625	1625	Unch
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	Closed	1875	-
	Madurai	Mill Quality	Closed	1932	-
	Coimbatore	Mill Quality	Closed	1932	-
Bihar	Sitamari	Mill Delivery	1620	1610	10



	Khagariya	Mill Delivery	1800	1800	Unch
FOR	Kandla(Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham(Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
Gujarat			11-Dec-15	10-Dec-15	
	Rajkot	Lokwan	1950	1900	50
	Dhrol	Lokwan	NR	NR	-
M.P.	Indore	Lokwan	Closed	1900	-
	Bhopal	Lokwan	Closed	1750	-
	Bina	Sarbati 306	Closed	2550	-
Rajasthan	Kota	Lokwan Bilty	Closed	1705	-
	Baran	Lokwan	Closed	NA	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			11-Dec-15	10-Dec-15	
	Lawrence Road	Mill Delivery	2500	2000	500
	Narella	Mill Quality Loose	300	250	50
	Nazafgarh	Mill Quality Loose	100	60	40
Gujarat	Rajkot	Mill Quality Loose	1000	800	200
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Quality Loose	Closed	2500	-
Rajasthan	Kota	Mill Quality	Closed	1000	-
U.P.	Kanpur	Mill Quality Loose	400	400	Unch
	Mathura	Mill Quality Loose	150	90	60
	Kosi	Mill Quality Loose	400	400	Unch
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	200	800	-600
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	500	400	100

Wheat Products Delhi	11-Dec-15	10-Dec-15	Change
Atta (50kg) Ordinary	925	875	50
Maida Grade 1 (90kg)	2301	2202	99
Maida Grade 1 (50KG)	1260	1205	55
Suji (50kg)	1310	1230	80
Chokar (50 kg)	733	733	Unch
Chokar (34 kg)	505	490	15
Chakki Atta (50kg)	950	1015	-65
Chakki Atta (50kg) Special	NA	NA	-
Chakki Atta (90kg) Superfine	1897	1861	36
Chakki Atta (50kg) Superfine	NA	NA	-

Wheat (CBOT) Future Price: 10.12.2015					
Contract Month	Open	High	Low	Close	Change
15-Dec	478.50	487.75	476.75	484.50	6.50
16-Mar	489.00	498.00	485.50	495.50	5.75
16-May	495.50	503.50	491.50	501.00	5.50
16-Jul	500.00	507.50	496.00	505.00	5.00
16-Sep	509.75	516.00	505.25	514.75	5.00
16-Dec	524.00	530.50	519.75	528.00	4.75

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