

Wheat Domestic Fundamentals:

Wheat cash market is likely to trade firm in New Year as arrivals from new crop may be delayed by 20 to 25 days next year. Apart from increasing expectation of late harvesting, lower area coverage in Rajasthan, Madhya Pradesh and Uttar Pradesh would affect normal crop size of 94/95 MMT. Late sowing would impact yield and production would decrease below 86 MMT as per market expectation.

Despite negligible export demand for Indian wheat, prices in cash market may move northward next year as local millers are now more dependent on central pool stock. Private trades are supplying FAQ variety at higher price and they are well aware of lower stock of fine grade wheat in open market. So they would continue to release their stock with slower pace in the months ahead. Higher MSP (Rs 1525 per qtl.), likely lower crop and normal demand in domestic market would lend support to cash market.

Wheat sowing is lagging behind by 16.38 % in comparison to last year till 11th Dec, 2015. Total area coverage has been reported at 202.28 lakh ha against 241.91 lakh ha. Uttar Pradesh, Gujarat and Madhya Pradesh is running behind by 34.10, 36.09 and 11.87 % from last year till 11th December-2015. Situation is not normal at sowing front and late sowing would impact yield is obvious now. Wheat sowing is in last phase in Punjab now. Punjab has covered 0.81 percent higher area this year. It has covered 33.47 lakh ha against 33.2 lakh ha last year. It is 96 percent of the normal. However Haryana is lagging behind by 2.75 % at coverage front so far. It has covered 22.94 lakh ha against 23.59 lakh ha last year till date.

There is no parity for wheat import at current price and recently imposed duty of 25 % on wheat has made import unviable despite lower price in global market. However, export continues in small quantity for various destinations. India exported 510.72 tonne wheat during week ended 13 December-2015. Average FoB quote realized last week was \$324.18 per tonne. As prices are ruling lower in global market export opportunity for Indian wheat exporters seems blemish.

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:

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.

Asian wheat buyers are turning to Australia for wheat supply in last quarter of this FY due to cheaper quotes in Australia. Wheat price in Australia has decreased considerably and it is now cheaper from US and Canadian wheat. Indonesia has struck deals for February shipment and may strike more deals for March delivery. Australian prime wheat with 10.5 percent protein is currently quoted at about \$240 a ton, including cost and freight to Asia, compared with similar variety U.S. soft white wheat that is being offered at around \$280 a ton. Australia is forecast to export around 17-18 million tonnes of wheat from a crop of 23.98 million tonnes in the year to June 2016.

Domestic market Outlook: Wheat cash market is likely trade steady to slightly firm.

Wheat Futures Contract: NCDEX Price							Date: 16.12.2015		
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
15-Dec	17	1703	1720	1711	1720	410	-420	700	-1120
16-Jan	-8	1708	1708	1702	1702	130	-200	1340	640
16-Feb	-7	1701	1701	1701	1701	-	-	-	-

Spread	Dec-15	Jan-16	Feb-16	Mar-16
Spot Narela				
15-Dec	30			
16-Jan		18		
16-Feb			-	

Stocks	Demat	In- Process	Total	FED
	15-Dec-15	15-Dec-15	15-Dec-15	14-Dec-15
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	2312	0	2312	2193
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 16.12.2015

	Market	Variety	Prices (Rs/Qtl)		Change
			16-Dec-15	15-Dec-15	
Delhi					
	Lawrence Road	Mill Delivery	1690	1690	Unch
	Narella	Mill Quality Loose	Closed	1645	-
	Nazafgarh	Mill Quality Loose	Closed	1630	-
Gujarat	Rajkot	Mill Delivery	1590	1590	Unch
	Ahmedabad	Mill Delivery	1650	1650	Unch
	Dhrol	Mill Quality Loose	NR	NR	-
	Surat	Mill Delivery	1670	1670	Unch
M.P.	Bhopal	Mill Quality Loose	1600	1550	50
	Indore	Mill Delivery	1680	1660	20
Rajasthan	Kota	Mill Quality Loose	1550	1540	10
		Mill Delivery	1640	1650	-10
U.P.	Kanpur	Mill Delivery	1565	1565	Unch
	Mathura	Mill Quality Loose	1530	1525	5
	Kosi	Mill Quality Loose	1535	1540	-5
	Hathras	Mill Quality Loose	NR	1550	-
	Aligarh	Mill Quality Loose	Closed	1550	-
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	1615	1610	5
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1850	1870	-20
	Madurai	Mill Quality	1907	1927	-20
	Coimbatore	Mill Quality	1907	1927	-20
Bihar	Sitamari	Mill Delivery	1615	1610	5
	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
			16-Dec-15	15-Dec-15	
Gujarat					
	Rajkot	Lokwan	2000	2000	Unch
	Dhrol	Lokwan	NR	NR	-
M.P.	Indore	Lokwan	2300	2100	200
	Bhopal	Lokwan	1800	1750	50
	Bina	Sarbati 306	Closed	2550	-
Rajasthan	Kota	Lokwan Bilty	1800	1750	50
	Baran	Lokwan	NA	NA	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			16-Dec-15	15-Dec-15	
Delhi					
	Lawrence Road	Mill Delivery	2500	2000	500
	Narella	Mill Quality Loose	Closed	300	-
	Nazafgarh	Mill Quality Loose	Closed	150	-
Gujarat	Rajkot	Mill Quality Loose	500	800	-300
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Quality Loose	700	2000	-1300
Rajasthan	Kota	Mill Quality	2500	4000	-1500
U.P.	Kanpur	Mill Quality Loose	400	500	-100
	Mathura	Mill Quality Loose	100	200	-100
	Kosi	Mill Quality Loose	350	250	100
	Hathras	Mill Quality Loose	NR	NA	-
	Aligarh	Mill Quality Loose	Closed	100	-
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	NA	NA	-
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	600	600	Unch

Wheat Products Delhi			16-Dec-15	15-Dec-15	Change
Atta (50kg) Ordinary			950	925	25
Maida Grade 1 (90kg)			2301	2301	Unch
Maida Grade 1 (50KG)			1260	1260	Unch
Suji (50kg)			1310	1310	Unch
Chokar (50 kg)			733	733	Unch



Chokar (34 kg)	505	505	Unch
Chakki Atta (50kg)	950	950	Unch
Chakki Atta (50kg) Special	NA	NA	-
Chakki Atta (90kg) Superfine	1897	1897	Unch
Chakki Atta (50kg) Superfine	NA	NA	-

Wheat (CBOT) Future Price: 15.12.2015					
Contract Month	Open	High	Low	Close	Change
16-Mar	491.00	498.00	486.25	494.25	0.75
16-May	497.50	504.25	492.75	500.25	1.00
16-Jul	501.25	508.50	497.50	504.75	1.25
16-Sep	512.50	517.75	507.75	514.50	1.25
16-Dec	526.25	532.00	521.00	527.75	1.00
17-Mar	536.25	541.00	536.25	538.25	1.00

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php> © 2015 Indian Agribusiness Systems Pvt Ltd.