

Wheat Domestic Fundamentals:

Mostly wheat cash markets traded unchanged on Friday and is likely to trade flat this week. However, firmness in New Year from mid February is likely due to short supply of fine grade wheat in the market. As arrivals from new crop may be delayed by 20 to 25 days next year prices of wheat would rule firm in February /March too . 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.

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 11 th 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.

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.

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 Contact: NCDEX Price							Date:17.12.2015		
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
15-Dec	2	1718	1719	1710	1719	360	-60	550	-150
16-Jan	-3	1705	1710	1702	1702	270	120	1380	40
16-Feb	-0	-	-	-	-	-	-	-	-

Spread	Dec-15	Jan-16	Feb-16	Mar-16
Spot Narela				
15-Dec	59			
16-Jan		-17		
16-Feb			-	

Stocks	Demat	In- Process	Total	FED
	16-Dec-15	16-Dec-15	16-Dec-15	14-Dec-15
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	2312	0	2312	2193
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 17.12.2015

	Market	Variety	Prices (Rs/Qtl)		Change
			17-Dec-15	16-Dec-15	
Delhi					
	Lawrence Road	Mill Delivery	1690	1690	Unch
	Narella	Mill Quality Loose	1650	Closed	-
	Nazafgarh	Mill Quality Loose	1625	Closed	-
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	1600	Unch
	Indore	Mill Delivery	1680	1680	Unch
Rajasthan	Kota	Mill Quality Loose	1550	1550	Unch
		Mill Delivery	1640	1640	Unch
U.P.	Kanpur	Mill Delivery	1570	1565	5
	Mathura	Mill Quality Loose	1575	1530	45
	Kosi	Mill Quality Loose	1555	1535	20
	Hathras	Mill Quality Loose	NA	NR	-
	Aligarh	Mill Quality Loose	1520	Closed	-
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	1615	10
	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 Delivery	1615	1615	Unch
	Khagariya	Mill Delivery	1800	1800	Unch
FOR	Kandla(Rajasthan-Rajkot)	Mill Quality	NA	NA	-

	Gandhidham(Rajasthan-Rajkot)	Mill Quality	NA	NA	-
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Centre	Market	Variety	Prices (Rs/Qtl)		Change
			17-Dec-15	16-Dec-15	
Gujarat					
	Rajkot	Lokwan	2000	2000	Unch
	Dhrol	Lokwan	NR	NR	-
M.P.	Indore	Lokwan	2300	2300	Unch
	Bhopal	Lokwan	1850	1800	50
	Bina	Sarbati 306	2500	Closed	-
Rajasthan	Kota	Lokwan Bilty	1800	1800	Unch
	Baran	Lokwan	NA	NA	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			17-Dec-15	16-Dec-15	
Delhi					
	Lawrence Road	Mill Delivery	2500	2500	Unch
	Narella	Mill Quality Loose	350	Closed	-
	Nazafgarh	Mill Quality Loose	100	Closed	-
Gujarat	Rajkot	Mill Quality Loose	800	500	300
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Quality Loose	500	700	-200
Rajasthan	Kota	Mill Quality	2500	2500	Unch
U.P.	Kanpur	Mill Quality Loose	500	400	100
	Mathura	Mill Quality Loose	60	100	-40
	Kosi	Mill Quality Loose	300	350	-50
	Hathras	Mill Quality Loose	NA	NR	-
	Aligarh	Mill Quality Loose	100	Closed	-
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	800	600	200

Wheat Products Delhi			17-Dec-15	16-Dec-15	Change
Atta (50kg) Ordinary			950	950	Unch
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: 16.12.2015					
Contract Month	Open	High	Low	Close	Change
16-Mar	493.25	497.00	483.25	483.50	-10.75
16-May	499.75	502.50	489.75	490.00	-10.25
16-Jul	503.75	507.00	494.75	495.50	-9.25
16-Sep	514.75	515.25	504.50	505.25	-9.25
16-Dec	526.25	528.75	518.25	519.25	-8.50
17-Mar	539.00	539.00	530.00	530.50	-7.75

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