Wheat Domestic Fundamentals:

Mostly wheat cash markets traded up on Friday and firmness *may continue with fresh demand from local millers and weak production prospect. Uptrend in New Year 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 behing 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:18.12.2015		
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
15-Dec	-62	1710	1710	1650	1655	360	-60	550	-150
16-Jan	0	1701	1705	1701	1705	270	120	1380	40
16-Feb	0	-	-	-	-	-	-	-	-

AGRIWATCH

Wheat Daily Report
19th December, 2015

Spread	Dec-15	Jan-16	Feb-16	Mar-16
Spot Narela				
15-Dec	15			
16-Jan		50		
16-Feb			-	

Stocks	Demat	In- Process	Total	FED
	17-Dec-15	17-Dec-15	17-Dec-15	14-Dec-15
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	2312	457	2769	2193
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 18.12.2015

	Market	Variety	Prices (Rs/Qtl)		Change
			18-Dec-15	17-Dec-15	
Delhi	Lawrence Road	Mill Delivery	1690	1690	Unch
	Narella	Mill Quality Loose	1640	1650	-10
	Nazafgarh	Mill Quality Loose	1625	1625	Unch
Gujarat	Rajkot	Mill Delivery	1590	1590	Unch
	Ahmedabad	Mill Delivery	1650	1650	Unch
	Dhrol	Mill Quality Loose	1715	NR	-
	Surat	Mill Delivery	1675	1670	5
M.P.	Bhopal	Mill Quality Loose	1600	1600	Unch
	Indore	Mill Delivery	1680	1680	Unch
Rajasthan	Kota	Mill Quality Loose	1570	1550	20
		Mill Delivery	1680	1640	40
U.P.	Kanpur	Mill Delivery	1575	1570	5
	Mathura	Mill Quality Loose	1600	1575	25
	Kosi	Mill Quality Loose	1560	1555	5
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	1525	1520	5
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	1630	1625	5
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1900	1850	50
	Madurai	Mill Quality	1957	1907	50
	Coimbatore	Mill Quality	1957	1907	50
Bihar	Sitamari	Mill Delivery	1610	1615	-5
	Khagariya	Mill Delivery	1750	1800	-50
FOR	Kandla(Rajasthan-Rajkot)	Mill Quality	NA	NA	-

	Gandhidham(Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			18-Dec-15	17-Dec-15	
Gujarat	Rajkot	Lokwan	2000	2000	Unch
	Dhrol	Lokwan	1970	NR	-
M.P.	Indore	Lokwan	2300	2300	Unch
	Bhopal	Lokwan	1850	1850	Unch
	Bina	Sarbati 306	2500	2500	Unch
Rajasthan	Kota	Lokwan Bilty	1750	1800	-50
	Baran	Lokwan	NA	NA	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			18-Dec-15	17-Dec-15	
Delhi	Lawrence Road	Mill Delivery	2000	2500	-500
	Narella	Mill Quality Loose	300	350	-50
	Nazafgarh	Mill Quality Loose	100	100	Unch
Gujarat	Rajkot	Mill Quality Loose	800	800	Unch
	Dhrol	Mill Quality Loose	10	NR	-
M.P.	Indore	Mill Quality Loose	700	500	200
Rajasthan	Kota	Mill Quality	1500	2500	-1000
U.P.	Kanpur	Mill Quality Loose	500	500	Unch
	Mathura	Mill Quality Loose	200	60	140
	Kosi	Mill Quality Loose	500	300	200
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	100	100	Unch
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	800	-200

Wheat Products Delhi	18-Dec-15	17-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: 17.12.2015					
Contract Month	**Open**	**High**	**Low**	**Close**	**Change**
16-Mar	482.75	488.25	472.25	484.00	**0.50**
16-May	490.00	494.75	479.25	491.00	**1.00**
16-Jul	495.00	500.25	485.25	497.25	**1.75**
16-Sep	503.75	509.00	495.50	507.25	**2.00**
16-Dec	518.00	524.25	509.75	521.25	**2.00**
17-Mar	525.00	533.00	522.00	533.00	**2.50**