

## Wheat Domestic Fundamentals:

***More or less steady sentiments witnessed in major cash markets of wheat on Monday.***

**Overall wheat coverage area recovered last week considerably despite slower pace of sowing.** All India wheat coverage was registered at 239.45 lakh ha during week ended 18.12.2015. It was 202.28 lakh ha previous week. Despite recovery in wheat coverage it is still lower by 10.74 % from Previous year till 18th Dec-2014. More recovery is expected in last week of dec and 1st week of January. However, the season may end with 1 million ha lower area coverage.

*Firmness in premium grades like Tukra, Sharbati, Banshi and Lok-1 may continue due to short supply of these varieties in the open market. Stockists are well aware of the fact and they would release restricted quantity intentionally to fetch maximum benefit in the lean season. However, ordinary grade may trade steady as continuous release from central pool stock in bulk volume would restrict uptrend to some extent.*

**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:

**Egypt Buys 1.2 lakh tonne wheat from Argentina for January end delivery.** Wheat has been brought from Louis Dreyfus at the average price of \$190.94 a tonne cost and freight. It is first time Argentina has brought wheat from Argentina.

**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.

**Global wheat market has shown some improvement in recent week after considerable dip in last four weeks. However, firmness is unlikely to continue due to ample global supply and good production prospect in winter season. At current price buyers may return to market to cover their short position. So more decrease in global market seems a remote possibility.**

**Algeria has brought around 8 lakh tonne wheat from global market last week, higher** by 2 lakh tonne from its average monthly buying. Ethiopia too is trying to buy 70,000 tonne wheat this week. Jordan are looking for 100,000 MT of hard wheat and Syria for 200,000 MT of soft milling wheat. Meanwhile Japan are tendering for their regular 123,275 MT consignment of what this week is only US and Canadian wheat for Jan/Mar shipment.

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

[illegible]

Spread	Jan-16	Feb-16	Mar-16	Apr-16
Spot Narela				
16-Jan	-13			
16-Feb		7		
16-Mar				

Stocks	Demat	In- Process	Total	FED
	26-Dec-15	26-Dec-15	26-Dec-15	21-Dec-15
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	1282	50	1332	3038
Rajkot	-	-	-	-

**Wheat Daily Prices and Arrivals on 28.12.2015**

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			28-Dec-15	26-Dec-15	
Delhi	Lawrence Road	Mill Delivery	1680	1680	Unch
	Narella	Mill Quality Loose	1635	1635	Unch
	Nazafgarh	Mill Quality Loose	1630	1630	Unch
Gujarat	Rajkot	Mill Delivery	NR	NR	-
	Ahmedabad	Mill Delivery	NR	NR	-
	Dhrol	Loose	NR	NR	-
	Surat	Mill Delivery	NR	NR	-
M.P.	Bhopal	Lokwan	1560	Closed	-
	Indore	Mill Delivery	1680	1680	Unch
Rajasthan	Kota	Mill Quality Loose	1585	1575	10
		Mill Delivery	1650	1650	Unch
U.P.	Kanpur	Mill Delivery	1565	1565	Unch
	Mathura	Mill Quality Loose	1580	1570	10
	Kosi	Mill Quality Loose	1575	1575	Unch
	Hathras	Mill Quality Loose	NR	1550	-
	Aligarh	Mill Quality Loose	1550	1550	Unch
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1550	1560	-10
	Hodal	Mill Delivery	NA	NA	-
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1650	1660	-10
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1900	1900	Unch
	Madurai	Mill Quality	1957	1957	Unch
	Coimbatore	Mill Quality	1957	1957	Unch
Bihar	Sitamari	Mill Quality	1615	1620	-5
	Khagariya	Mill Quality	1750	1750	Unch

FOR	Kandla(Gujarat-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham(Gujarat-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			28-Dec-15	26-Dec-15	
Gujarat	Rajkot	Lokwan	NR	NR	-
	Dhrol	Lokwan	NR	NR	-
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1800	NR	-
	Bina	Sarbati 306	NR	NR	-
Rajasthan	Kota	Lokwan Bilty	1850	1850	Unch
	Baran	Lokwan	NA	NA	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			28-Dec-15	26-Dec-15	
Delhi	Lawrence Road	Mill Delivery	2000	2000	Unch
	Narella	Mill Quality Loose	800	800	Unch
	Nazafgarh	Mill Quality Loose	50	50	Unch
Gujarat	Rajkot	Mill Quality Loose	NR	NR	-
	Dhrol	Mill Delivery	NR	NR	Unch
M.P.	Indore	Mill Quality Loose	500	700	-200
Rajasthan	Kota	Mill Quality	2000	3000	-1000
U.P.	Kanpur	Mill Quality Loose	400	400	Unch
	Mathura	Mill Quality Loose	200	100	100
	Kosi	Mill Quality Loose	500	300	200
	Hathras	Mill Quality Loose	NR	NA	-
	Aligarh	Mill Quality Loose	150	150	Unch
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	100	100	Unch
	Hodal	Mill Quality Loose	NA	NA	-
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	250	400	-150

Wheat Products Delhi			28-Dec-15	26-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)			728	728	Unch
Chokar (34 kg)			502	502	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: 24.12.2015					
Contract Month	Open	High	Low	Close	Change
16-Mar	468.50	471.75	467.25	467.50	-2.00
16-May	476.00	478.75	474.50	474.50	-2.50
16-Jul	484.00	486.75	482.50	482.75	-2.25
16-Sep	494.75	496.00	492.50	492.75	-2.25
16-Dec	509.50	511.25	506.75	507.25	-2.00
17-Mar	520.00	520.00	519.75	519.75	-1.75

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.