

Wheat Domestic Fundamentals:

Wheat cash markets continued to trade up by 0.31% to Rs 1748.63 per qtl. in comparison to 2nd week of December-2015 on all India average basis during the week under review. All India average price of FAQ quality was registered at Rs 1743.19 per qtl previous week. 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.

Yellow rust has been spotted on wheat crop in some parts of Punjab and it may spread rapidly as condition for its spread is very conducive now. As per latest update by Punjab Agricultural University (PAU), yellow rust disease has been spotted in some wheat fields in Anandpur Sahib and Nangal in Ropar district which are sub-mountainous areas of Punjab. The affected crop is HD 2967. PAU has suggested farmers to be careful and use pesticide advised by agri scientists. Farmers need to be vigilant in Gurdaspur and Pathankot in Punjab, Yamunanagar in Haryana and Kathua in Jammu and Kashmir.

Wheat area coverage was registered at 259.37 lakh ha against 279 lakh ha last year till 23 Dec-2015. Overall area coverage has decreased by 7.23 %. Lower soil moisture could not allow farmers to cover normal acreage. Uttar Pradesh, Gujarat, Rajasthan and MP lags behind considerably in wheat coverage area so far. Late sowing, moisture stress and higher temperature may affect yield of wheat considerably this year.

Other bullish factors that have changed bearish inner tone are delayed sowing, lower area coverage and increasing fear of lower yield from late shown crop in Madhya Pradesh, Uttar Pradesh, Maharashtra and Rajasthan. MSP for the new crop (Rs 1525 per qtl) too would not allow market to decrease much from current level until new crop hits the market.

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.

B,desb has issued an international tender to import 50,000 tonnes of milling wheat. The deadline for this offer is 10th of January-2016.Bid winners have to deliver wheat within 40 days of the signing of the contract. The tender called for wheat with at least 12.5 percent protein and a minimum test weight of 76 kilos per hectoliter. Around 1.25 lakh tonne wheat has been rejected due to quality reasons in last four weeks. Wheat imported from Brazil was rejected ealier. French wheat too was found below quality norm in recent weeks.

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.*

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Spread	Jan-16	Feb-16	Mar-16	Apr-16
Spot Narela				
16-Jan	25			
16-Feb		11		
16-Mar			-	

Stocks	Demat	In- Process	Total	FED
	30-Dec-15	30-Dec-15	30-Dec-15	28-Dec-15
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	1262	198	1460	1262
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 31.12.2015

	Market	Variety	Prices (Rs/Qtl)		Change
			31-Dec-15	30-Dec-15	
Delhi	Lawrence Road	Mill Delivery	1690	1690	Unch
	Narella	Mill Quality Loose	1620	Closed	-
	Nazafgarh	Mill Quality Loose	1640	Closed	-
Gujarat	Rajkot	Mill Delivery	NR	NR	-
	Ahmedabad	Mill Delivery	NR	NR	-
	Dhrol	Mill Quality Loose	1670	1845	-175
	Surat	Mill Delivery	NR	NR	-
M.P.	Bhopal	Mill Quality Loose	1560	1560	Unch
	Indore	Mill Delivery	1680	1680	Unch
Rajasthan	Kota	Mill Quality Loose	1600	1580	20
		Mill Delivery	1700	1650	50
U.P.	Kanpur	Mill Delivery	1565	1565	Unch
	Mathura	Mill Quality Loose	1600	1580	20
	Kosi	Mill Quality Loose	1585	1580	5
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	1550	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	1650	1600	50
	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 Delivery	NR	1615	-
	Khagariya	Mill Delivery	1750	1750	Unch

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

Centre	Market	Variety	Prices (Rs/Qtl)		Change
Gujarat			31-Dec-15	30-Dec-15	
	Rajkot	Lokwan	NR	NR	-
	Dhrol	Lokwan	1875	2105	-230
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1750	1800	-50
	Bina	Sarbati 306	NR	Closed	-
Rajasthan	Kota	Lokwan Bilty	1800	1800	Unch
	Baran	Lokwan	NA	NA	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			31-Dec-15	30-Dec-15	
	Lawrence Road	Mill Delivery	1500	2000	-500
	Narella	Mill Quality Loose	400	Closed	-
	Nazafgarh	Mill Quality Loose	50	Closed	-
Gujarat	Rajkot	Mill Quality Loose	NR	NR	-
	Dhrol	Mill Quality Loose	4	5	-1
M.P.	Indore	Mill Quality Loose	1000	1000	Unch
Rajasthan	Kota	Mill Quality	4000	3000	1000
U.P.	Kanpur	Mill Quality Loose	400	500	-100
	Mathura	Mill Quality Loose	300	100	200
	Kosi	Mill Quality Loose	250	250	Unch
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	50	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	20	NA	-

Wheat Products Delhi			31-Dec-15	30-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: 30.12.2015					
Contract Month	Open	High	Low	Close	Change
16-Mar	476.50	479.50	469.25	469.75	-6.00
16-May	482.00	485.25	475.75	476.50	-5.50
16-Jul	490.00	491.75	482.50	483.50	-5.50
16-Sep	500.50	500.75	492.25	493.00	-5.50
16-Dec	514.00	514.75	506.00	507.00	-5.50
17-Mar	518.75	518.75	518.75	518.75	-5.75

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