

### Wheat Domestic Fundamentals:

**Wheat cash markets traded slightly up due to lower area coverage** and weak production prospects this year. Moisture stress in the field still remains a cause of major concern. Rains in the producing region are very crucial and if it occurs in next 10 /15 days, wheat prices may stay steady at current level. In absence of rains prices of wheat may move up once again.

**M.P,Gujarat and U.P would contribute lower wheat in the central pool kitty** this year as production in these states is likely to dip by 10 to 30 percent. Overall production may dip by 4 to 5 % this year and may hinge between 85 to 86 MMT. Next one and a half month is very crucial for the standing crop.

**As per latest update from Ministry of Agriculture Indian wheat growing States** have covered 271.46 lakh ha area till 1<sup>st</sup> Jan-2016.It is almost 7.4 % lower (293.16 lakh ha) in comparison to area covered in the corresponding time of last year. States like Uttar Pradesh, Gujarat and Madhya Pradesh are running behind by 11.28,27.21 and 13.60 % at progressive wheat area coverage front. Sowing is on and would continue till 15<sup>th</sup> January-2016.Recovery in coverage is expected now to some extent with decreasing temperature in central, east and western parts of India. However, overall acreage may decrease from 306 lakh ha. to 29.0 lakh ha due to late sowing.

**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 a 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.

**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,desh 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.

**Argentina has revised its grain export policies and it would encourage farmers to** grow more wheat and corn now. Export permit policy has been cancelled. Export tax too has been removed on corn and wheat. Local farmers had reduced their wheat and corn area under export permit system and lower price. Now they will double their area under wheat and corn-say experts.

**Argentina's Agriculture Ministry is forecasting the current wheat crop to be 10.9** million metric tons. That's below the 2007-08 record crop of 16.4 million, before the export permit policy was initiated.The export of grains has become more profitable for farmers after Argentina's government lifted four years of currency controls, leading to the the biggest one-day peso devaluation in the last 14 years on Dec. 17.

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

Wheat Futures Contact: NCDEX Price							Date:05.01.2016		
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
16-Jan	19	1674.00	1685.00	1671.00	1685.00	220	60	1279	-155
16-Feb	12	1690.00	1706.00	1690.00	1706	33	10	212	25
16-Mar	00								

Spread	Jan-16	Feb-16	Mar-16	Apr-16
Spot Narela				
16-Jan	35			
16-Feb		21		
16-Mar			-	

Stocks	Demat	In- Process	Total	FED
	04-Jan-16	04-Jan-16	04-Jan-16	04-Jan-16
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	1460	0	1460	1460
Rajkot	-	-	-	-

**Wheat Daily Prices and Arrivals on 04.01.2016**

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			5-Jan-16	4-Jan-16	
Delhi					
	Lawrence Road	Mill Delivery	1695	1690	5
	Narella	Mill Quality Loose	1630	1625	5
	Nazafgarh	Mill Quality Loose	1630	1625	5
Gujarat	Rajkot	Mill Delivery	NA	1690	-
	Ahmedabad	Mill Delivery	NA	1650	-
	Dhrol	Mill Quality Loose	NA	1885	-
	Surat	Mill Delivery	NA	1700	-
M.P.	Bhopal	Mill Quality Loose	1560	1560	Unch
	Indore	Mill Delivery	1690	1690	Unch
Rajasthan	Kota	Mill Quality Loose	1600	1600	Unch
		Mill Delivery	1690	1690	Unch
U.P.	Kanpur	Mill Delivery	1575	1565	10
	Mathura	Mill Quality Loose	1600	1600	Unch
	Kosi	Mill Quality Loose	1675	1650	25
	Hathras	Mill Quality Loose	NR	NA	-
	Aligarh	Mill Quality Loose	NR	NR	-
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1550	1550	Unch
	Hodal	Mill Delivery	1710	NA	-
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	NR	NR	-
	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	1620	-5

	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			5-Jan-16	4-Jan-16	
	Rajkot	Lokwan	NR	2000	-
	Dhrol	Lokwan	NR	1705	-
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1700	1700	Unch
	Bina	Sarbati 306	NR	NR	-
Rajasthan	Kota	LokwanBilty	1800	1800	Unch
	Baran	Lokwan	NR	NR	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			5-Jan-16	4-Jan-16	
	Lawrence Road	Mill Delivery	1200	1200	Unch
	Narella	Mill Quality Loose	300	300	Unch
	Nazafgarh	Mill Quality Loose	50	50	Unch
Gujarat	Rajkot	Mill Quality Loose	NR	700	-
	Dhrol	Mill Quality Loose	NA	3	-
M.P.	Indore	Mill Quality Loose	1500	1500	Unch
Rajasthan	Kota	Mill Quality	4000	4000	Unch
U.P.	Kanpur	Mill Quality Loose	500	300	200
	Mathura	Mill Quality Loose	50	100	-50
	Kosi	Mill Quality Loose	250	350	-100
	Hathras	Mill Quality Loose	NR	NA	-
	Aligarh	Mill Quality Loose	NR	NR	-
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	50	NA	-
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	NR	NR	-

Wheat Products Delhi	5-Jan-16	4-Jan-16	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: 4.1.2016					
Contract Month	Open	High	Low	Close	Change
16-Mar	472.75	473.50	456.00	458.25	-11.75
16-May	479.00	479.25	462.75	464.50	-12.00
16-Jul	486.00	486.00	470.50	472.25	-11.00
16-Sep	492.00	492.75	480.25	482.00	-10.25
16-Dec	509.00	509.00	495.00	496.50	-11.00
17-Mar	510.00	510.25	507.75	509.00	-10.25

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