

Wheat Domestic Fundamentals:

In the last week, India imported around 125055 tonne wheat from Australia, Ukraine and France last week till 20th Nov-2016 at an average CIF of \$220.48 per tonne. Around 30308 tonne has been imported from Australia at an average CIF of \$243.36 per tonne, 92747 tonnes of Ukraine wheat at an average CIF of \$199.34 per tonne and a small quantity of 2000 tonnes has arrived from France at an average CIF of \$223.22 per tonne.

According to latest update, area sown until 18 November'16 is 79.40 lakh hectares compared to 78.83 lakh hectares in the previous Rabi season. The area is down in Haryana, Maharashtra and Madhya Pradesh whereas Rajasthan and Uttar Pradesh have seen an increase in area compared to last year for the same date. The normal area is 301.74 lakh hectares. Area is expected to be higher this year as government has increased MSP of wheat which may motivate farmers to sow more area.

According to latest update, export of wheat has decreased compared to last week. In the week (14-20 November) the exports were around 1319.07 metric tonnes compared to 1700.95 metric tonnes in the week 07-13 November. The said quantity was exported at an average FOB of \$319.25 per tonne and the major destinations were Kuwait, Malaysia, Nepal and UAE. Total export till 20th Nov-2016 since 4th April was registered around 29444 tonne. Export window remained restricted due to disparity.

As per the latest update, in order to keep the rising prices of wheat in check the government has decided to double the quantity from 7000 tonnes to 14000 tonnes to be sold in open market through auction in Delhi. Recently the government released one million tonnes of wheat for flour millers and other bulk users. Around 29000 tonnes of wheat has been sold by FCI in the first week of November in Delhi and its neighboring areas. Government is also expecting increase in flow of imported wheat due to reduced import duty from 25 to 10 percent, which would be enough for meeting the requirements of market and private sector.

All India weekly average prices increased by 1.33 percent to Rs. 1977.26 per quintal during the week ended 23rd November 2016. Wheat average price were ruling at Rs 1951.33 per quintal during 09-15th November 2016. As compared to prices in the week 16-23rd November 2015, the prices are firm by 13.85 percent. Prices are expected to remain range bound to slightly firm in coming days.

International Market Update:

As per latest update Taiwan bought around 85325 tonnes of wheat through tender. The said quantity was bought in two consignments. First consignment is purchased by ADM comprising of 46225 tonnes of wheat to be shipped between January 8 to 22, 2017. Second consignment is purchased by Columbia grain comprising of 39100 tonnes of wheat to be shipped between January 25 to February 8, 2017.

As per latest update china has imported around 31.2 lakh tonnes of wheat in the first ten months of the year 2016. The said quantity was imported from USA (7.92 lakh tonnes), Australia (12.67 lakh tonnes), Canada (7.93 lakh tonnes) and Kazakhstan (2.69 lakh tonnes). As compared to last year for the same period the imports are up by 21.9 percent.

As per latest update, Russian government has removed export duty on wheat. After crop loss in France, Russia stepped up its export to capture a decent amount of market share and is expected to secure the position of largest wheat exporter. Furthermore, Russia is expecting to export around 28 million tonnes of wheat in the agricultural year 2016-17 and this move of eliminating export duty may help Russia in achieving it.

Algeria state grains agency OAIC has bought around 580000 tonnes of milling wheat in a tender. The prices paid were in the range of \$201 to \$201.50 per tonne (Cost and Freight). The quantity to be shipped is due in January. The origin of wheat that is to be supplied is at seller's option

Outlook: Cash market is expected to trade steady to slightly firm in the near term

| Wheat Futures Contract: NCDEX Price | | | | | | | | Date:25.11.2016 | |
|-------------------------------------|-----------------------|------|------|------|-------|--------|-----------------------|-----------------|-----------------------|
| Contract Month | Ch. from previous day | Open | High | Low | Close | Volume | Ch. From previous day | OI | Ch. From previous day |
| 16-Dec | +15 | 2054 | 2078 | 2053 | 2068 | 1100 | -1,390 | 10600 | -200 |
| 17-Jan | +13 | 2080 | 2099 | 2080 | 2092 | 230 | -430 | 2650 | 10 |
| 17-Feb | -14 | 2030 | 2030 | 2030 | 2030 | 20 | -10 | 400 | 0 |

| Spread | Dec-16 | Jan-17 | Feb-17 | |
|-------------|--------|--------|--------|--|
| Spot Narela | | | | |
| 16-Dec | -98 | | | |
| 17-Jan | | -24 | | |
| 17-Feb | | | 62 | |

| Stocks | Demat | In- Process | Total | FED |
|--------|-----------|-------------|-----------|-----------|
| | 24.Nov.16 | 24.Nov.16 | 24.Nov.16 | 21.Nov.16 |
| Delhi | - | - | - | - |
| Itarsi | - | - | - | - |
| Kanpur | - | - | - | - |
| Kota | 6545 | 261 | 6806 | 5442 |
| Rajkot | - | - | - | - |

Wheat Daily Prices and Arrivals on 26.11.2016

| Centre | Market | Variety | Prices (Rs/Qtl) | | Change |
|-----------|---------------|--------------------|-----------------|-----------|--------|
| | | | 26-Nov-16 | 25-Nov-16 | |
| Delhi | Lawrence Road | Mill Delivery | 2150 | 2200 | -50 |
| | Narella | Mill Quality Loose | 2000 | 1970 | 30 |
| | Nazafgarh | Mill Quality Loose | 2050 | 2100 | -50 |
| Gujarat | Rajkot | Mill Delivery | 1950 | 1950 | Unch |
| | Ahmedabad | Mill Delivery | 2080 | 2120 | -40 |
| | Surat | Mill Delivery | 2100 | 2150 | -50 |
| | Dhrol | Mill Quality Loose | NR | NR | - |
| M.P. | Indore | Mill Delivery | 2100 | 2100 | Unch |
| | Bhopal | Mill Quality Loose | 2000 | 2000 | Unch |
| Rajasthan | Kota | Mill Quality Loose | 1900 | 1880 | 20 |
| | | Mill Delivery | 2000 | 1975 | 25 |
| U.P. | Kanpur | Mill Delivery | 1995 | 1975 | 20 |
| | Mathura | Mill Quality Loose | 2000 | 2022 | -22 |
| | Kosi | Mill Quality Loose | 2050 | 2060 | -10 |
| | Hathras | Mill Quality Loose | Closed | Closed | - |

| | | | | | |
|-------------------|-------------------------------|---------------------|------|--------|------|
| | Aligarh | Mill Quality Loose | 2000 | Closed | - |
| Punjab | Khanna | Mill Quality Loose | NA | 1960 | - |
| | Ludhiana (Jagraon) | Mill Delivery | NA | NA | - |
| Haryana | Sirsa | Mill Delivery loose | 2000 | 2000 | Unch |
| | Hodal | Mill Delivery | 2240 | 2240 | Unch |
| | Bhiwani | Mill Quality Loose | 2175 | 2175 | Unch |
| | Karnal | Mill Delivery | NR | NR | - |
| | Panipat | Mill Quality Loose | NA | NA | - |
| Tamil Nadu | Chennai | Mill Quality | 2400 | 2400 | Unch |
| | Madurai | Mill Quality | 2457 | 2457 | Unch |
| | Coimbatore | Mill Quality | 2457 | 2457 | Unch |
| Bihar | Khagariya | Mill Delivery | 2050 | 2050 | Unch |
| | Muzaffarpur | Mill Delivery | 1950 | 1950 | Unch |
| FOR | Kandla (Rajasthan-Rajkot) | Mill Quality | NR | NR | - |
| | Gandhidham (Rajasthan-Rajkot) | Mill Quality | NR | NR | - |

| Centre | Market | Variety | Prices (Rs/Qtl) | | Change |
|------------------|--------|-------------|-----------------|-----------|--------|
| | | | 26-Nov-16 | 25-Nov-16 | |
| Gujarat | Rajkot | Lokwan | 2150 | 2150 | Unch |
| M.P. | Indore | Lokwan | 2500 | 2500 | Unch |
| | Bhopal | Lokwan | 2200 | 2200 | Unch |
| | Bina | Sarbati 306 | Closed | Closed | - |
| Rajasthan | Kota | LokwanBilty | 2200 | 2000 | 200 |
| | Baran | Lokwan | 2100 | 2125 | -25 |

Wheat Arrivals in Key Centers:

| Centre | Market | Variety | Arrivals (Bags/Qtl) | | Change |
|------------------|---------------|--------------------|---------------------|-----------|--------|
| | | | 26-Nov-16 | 25-Nov-16 | |
| Delhi | Lawrence Road | Mill Delivery | 2500 | 3000 | -500 |
| | Narella | Mill Quality Loose | 200 | 300 | -100 |
| | Nazafgarh | Mill Quality Loose | 200 | 200 | Unch |
| Gujarat | Rajkot | Mill Quality Loose | 500 | 400 | 100 |
| | Dhrol | Mill Quality Loose | NR | NR | - |
| M.P. | Indore | Mill Quality Loose | 1000 | 1000 | Unch |
| Rajasthan | Kota | Mill Quality | 2500 | 2500 | Unch |
| U.P. | Kanpur | Mill Quality Loose | 1850 | 2500 | -650 |
| | Mathura | Mill Quality Loose | 200 | 30 | 170 |
| | Kosi | Mill Quality Loose | 500 | 500 | Unch |
| | Hathras | Mill Quality Loose | Closed | Closed | - |
| | Aligarh | Mill Quality Loose | 1000 | Closed | - |

| | | | | | |
|----------------|-------------------|--------------------|-----|-----|------|
| Punjab | Khanna | Mill Quality Loose | NA | 300 | - |
| | (Ludhiana)Jagraon | Mill Quality Loose | NA | NA | - |
| Haryana | Sirsa | Mill Quality Loose | 200 | 100 | 100 |
| | Hodal | Mill Quality Loose | 50 | 50 | Unch |
| | Bhiwani | Mill Quality Loose | 200 | 200 | Unch |
| | Karnal | Mill Delivery | NR | NR | - |
| | Panipat | Mill Quality Loose | NA | NA | - |

| Wheat Products Delhi | | 26-Nov-16 | 25-Nov-16 | Change |
|------------------------------|--|-----------|-----------|--------|
| Atta (50kg) Ordinary | | 1190 | 1190 | Unch |
| Maida Grade 1 (50KG) | | 1510 | 1510 | Unch |
| Suji (50kg) | | 1560 | 1560 | Unch |
| Chokar (50 kg) | | 919 | 919 | Unch |
| Chokar (34 kg) | | 630 | 630 | Unch |
| Chakki Atta (50kg) | | 1220 | 1220 | Unch |
| Chakki Atta (50kg) Special | | 1250 | 1250 | Unch |
| Chakki Atta (90kg) Superfine | | 1978 | 1978 | Unch |
| Chakki Atta (50kg) Superfine | | 1080 | 1080 | Unch |

| Wheat (CBOT) Future Price: 25.11.2016 | | | | | |
|---------------------------------------|--------|--------|--------|--------|--------|
| Contract Month | Open | High | Low | Close | Change |
| Dec-16 | 401.75 | 403.75 | 394.50 | 395.75 | -5.75 |
| Mar-17 | 424.00 | 427.00 | 418.50 | 420 | -4 |
| May-17 | 438.00 | 440.50 | 433.00 | 434 | -3 |
| Jul-17 | 453.00 | 456.00 | 449.00 | 449.75 | -3 |
| Sep-17 | 467.00 | 470.00 | 464.75 | 464.75 | -3 |
| Dec-17 | 484.75 | 487.50 | 481.75 | 482.25 | -2.25 |

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