

**Wheat Domestic Fundamentals:**

**According to latest update, export of wheat has decreased compared to last week.** In the week (21-26 November) the exports were around 294.625 metric tonnes compared to 1319.07 metric tonnes in the week 14-20 November. The said quantity was exported at an average FOB of \$366.49 per tonne and the major destinations were Sri Lanka, USA, Somalia and UAE. Total export till 26th Nov-2016 since 4th April was registered around 29738.94 tonne. Export window remained restricted due to disparity.

**According to latest update, area sown until 25 November'16 is 127.15 lakh hectares** compared to 117.32 lakh hectares in the previous Rabi season. Among major states the area is down in Bihar, Chhattisgarh, Gujarat and Haryana, whereas Madhya Pradesh, Maharashtra, Punjab 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.

**All India weekly average prices increased by 7.52 percent** to Rs. 2125.88 per quintal during the week ended 30th November 2016. Wheat average price were ruling at Rs 1977.26 per quintal during 16-23rd November 2016. As compared to prices in the week 24-30th November 2015, the prices are firm by 23.48 percent. Prices are expected to remain range bound to slightly firm in coming days.

**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.

**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.

**International Market Update:**

**GASC has purchased 240000 tonnes of Russian wheat** through tender after abolishing its zero-tolerance policy towards ergot. Louis Dreyfus offered 60000 tonnes at FOB \$188.74/tonne, Olam offered 60000 tonnes at FOB of \$189.05/tonne, Alegrow offered 60000 tonnes at FOB \$189.46/tonne and Grainbow offered 60000 tonnes at FOB \$188.74/tonne.

**As per latest update by Buenos Aires cereal exchange, harvesting of wheat in Argentina has been delayed** by 2.3 percentage points and reached 17.7 percent of the expected 10.6 million acres. Harvesting has progressed by 5.6 percentage points last week. The Argentinean government expects 14.9 MMT of cereal production as it is including non-commercial production also.

**According to latest update by International Grains Council,** the production forecast has been increased by 1 MMT for crop year 2016-17. The production may touch 749 MMT against a forecast of 737 MMT for 2015-16. The difference is around 12 MMT. However trade projection has been revised down by 1MMT to 166 MMT which is still 2 MMT higher than actual of last year. Higher projection for wheat may pressurize global wheat at current level and any major recovery from current level is unlikely.

**As per latest update, Japan's ministry of agriculture bought 158414 tonnes** of food quality wheat from United States and Canada. Around 92328 tonnes has been bought from united states and 65556 tonnes has been bought from Canada. The entire quantity from Canada will be loaded between January 16 and February 15, 2017.

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

| Wheat Futures Contract: NCDEX Price |                       |      |      |      |       |        | Date:30.11.2016       |      |                       |
|-------------------------------------|-----------------------|------|------|------|-------|--------|-----------------------|------|-----------------------|
| Contract Month                      | Ch. from previous day | Open | High | Low  | Close | Volume | Ch. From previous day | OI   | Ch. From previous day |
| 16-Dec                              | -18                   | 2030 | 2040 | 2020 | 2026  | 980    | 490                   | 9730 | -420                  |
| 17-Jan                              | -12                   | 2076 | 2076 | 2050 | 2060  | 320    | 210                   | 2690 | 0                     |
| 17-Feb                              | -30                   | 2000 | 2000 | 1962 | 1962  | 30     | 20                    | 410  | 10                    |

| Spread      | Dec-16 | Jan-17 | Feb-17 |  |
|-------------|--------|--------|--------|--|
| Spot Narela |        |        |        |  |
| 16-Dec      | -15    |        |        |  |
| 17-Jan      |        | -34    |        |  |
| 17-Feb      |        |        | 82     |  |

| Stocks | Demat     | In- Process | Total     | FED       |
|--------|-----------|-------------|-----------|-----------|
|        | 29.Nov.16 | 29.Nov.16   | 29.Nov.16 | 28.Nov.16 |
| Delhi  | -         | -           | -         | -         |
| Itarsi | -         | -           | -         | -         |
| Kanpur | -         | -           | -         | -         |
| Kota   | 6402      | 0           | 6402      | 6402      |
| Rajkot | -         | -           | -         | -         |

**Wheat Daily Prices and Arrivals on 30.11.2016**

| Centre    | Market        | Variety            | Prices (Rs/Qtl) |           | Change |
|-----------|---------------|--------------------|-----------------|-----------|--------|
|           |               |                    | 30-Nov-16       | 29-Nov-16 |        |
| Delhi     | Lawrence Road | Mill Delivery      | 2150            | 2150      | Unch   |
|           | Narella       | Mill Quality Loose | Closed          | 2025      | -      |
|           | Nazafgarh     | Mill Quality Loose | Closed          | NR        | -      |
| Gujarat   | Rajkot        | Mill Delivery      | 1990            | 2000      | -10    |
|           | Ahmedabad     | Mill Delivery      | 2150            | 2150      | Unch   |
|           | Surat         | Mill Delivery      | 2170            | 2180      | -10    |
|           | Dhrol         | Mill Quality Loose | NR              | NR        | -      |
| M.P.      | Indore        | Mill Delivery      | 2100            | Closed    | -      |
|           | Bhopal        | Mill Quality Loose | 1950            | Closed    | -      |
| Rajasthan | Kota          | Mill Quality Loose | 1925            | Closed    | -      |
|           |               | Mill Delivery      | 2000            | Closed    | -      |
| U.P.      | Kanpur        | Mill Delivery      | 1975            | NR        | -      |
|           | Mathura       | Mill Quality Loose | 1950            | 2020      | -70    |
|           | Kosi          | Mill Quality Loose | 2060            | 2060      | Unch   |
|           | Hathras       | Mill Quality Loose | 2100            | Closed    | -      |
|           | Aligarh       | Mill Quality Loose | Closed          | 1850      | -      |
| Punjab    | Khanna        | Mill Quality Loose | 1975            | 1960      | 15     |

|                   |                               |                     |      |        |      |
|-------------------|-------------------------------|---------------------|------|--------|------|
|                   | Ludhiana (Jagraon)            | Mill Delivery       | NA   | NA     | -    |
| <b>Haryana</b>    | Sirsa                         | Mill Delivery loose | 1975 | 1975   | Unch |
|                   | Hodal                         | Mill Delivery       | 2240 | 2440   | Unch |
|                   | Bhiwani                       | Mill Quality Loose  | 2100 | 2175   | -75  |
|                   | Karnal                        | Mill Delivery       | NR   | NR     | -    |
|                   | Panipat                       | Mill Quality Loose  | NA   | NA     | -    |
| <b>Tamil Nadu</b> | Chennai                       | Mill Quality        | 2300 | Closed | -    |
|                   | Madurai                       | Mill Quality        | 2357 | Closed | -    |
|                   | Coimbatore                    | Mill Quality        | 2357 | Closed | -    |
| <b>Bihar</b>      | Khagariya                     | Mill Delivery       | 1975 | 2050   | -75  |
|                   | Muzaffarpur                   | Mill Delivery       | 1875 | 1875   | Unch |
| <b>FOR</b>        | Kandla (Rajasthan-Rajkot)     | Mill Quality        | NR   | NR     | -    |
|                   | Gandhidham (Rajasthan-Rajkot) | Mill Quality        | NR   | NR     | -    |

| Centre           | Market | Variety     | Prices (Rs/Qtl) |           | Change |
|------------------|--------|-------------|-----------------|-----------|--------|
|                  |        |             | 30-Nov-16       | 29-Nov-16 |        |
| <b>Gujarat</b>   | Rajkot | Lokwan      | 2150            | 2100      | 50     |
| <b>M.P.</b>      | Indore | Lokwan      | 2500            | Closed    | -      |
|                  | Bhopal | Lokwan      | 2150            | Closed    | -      |
|                  | Bina   | Sarbati 306 | Closed          | Closed    | -      |
| <b>Rajasthan</b> | Kota   | LokwanBilty | 2150            | Closed    | -      |
|                  | Baran  | Lokwan      | 2100            | 2050      | 50     |

**Wheat Arrivals in Key Centers:**

| Centre           | Market            | Variety            | Arrivals (Bags/Qtl) |           | Change |
|------------------|-------------------|--------------------|---------------------|-----------|--------|
|                  |                   |                    | 30-Nov-16           | 29-Nov-16 |        |
| <b>Delhi</b>     | Lawrence Road     | Mill Delivery      | 3000                | 2500      | 500    |
|                  | Narella           | Mill Quality Loose | Closed              | 300       | -      |
|                  | Nazafgarh         | Mill Quality Loose | Closed              | NR        | -      |
| <b>Gujarat</b>   | Rajkot            | Mill Quality Loose | 1400                | 1100      | 300    |
|                  | Dhrol             | Mill Quality Loose | NR                  | NR        | -      |
| <b>M.P.</b>      | Indore            | Mill Quality Loose | 1500                | Closed    | -      |
| <b>Rajasthan</b> | Kota              | Mill Quality       | 500                 | Closed    | -      |
| <b>U.P.</b>      | Kanpur            | Mill Quality Loose | 2000                | NR        | -      |
|                  | Mathura           | Mill Quality Loose | 150                 | 150       | Unch   |
|                  | Kosi              | Mill Quality Loose | 400                 | 500       | -100   |
|                  | Hathras           | Mill Quality Loose | 250                 | Closed    | -      |
|                  | Aligarh           | Mill Quality Loose | Closed              | 400       | -      |
| <b>Punjab</b>    | Khanna            | Mill Quality Loose | 300                 | 300       | Unch   |
|                  | (Ludhiana)Jagraon | Mill Quality Loose | NA                  | NA        | -      |

|                |         |                    |     |     |      |
|----------------|---------|--------------------|-----|-----|------|
| <b>Haryana</b> | Sirsa   | Mill Quality Loose | 200 | 200 | Unch |
|                | Hodal   | Mill Quality Loose | 100 | 100 | Unch |
|                | Bhiwani | Mill Quality Loose | 200 | 100 | 100  |
|                | Karnal  | Mill Delivery      | NR  | NR  | -    |
|                | Panipat | Mill Quality Loose | NA  | NA  | -    |

| Wheat Products Delhi         |  | 30-Nov-16 | 29-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: 29.11.2016 |        |        |        |        |        |
|---------------------------------------|--------|--------|--------|--------|--------|
| Contract Month                        | Open   | High   | Low    | Close  | Change |
| <b>Dec-16</b>                         | 389.00 | 389.00 | 382.75 | 384.00 | -5.50  |
| <b>Mar-17</b>                         | 415.50 | 415.75 | 407.75 | 408.75 | -7.75  |
| <b>May-17</b>                         | 429.50 | 429.50 | 421.50 | 422.25 | -8.00  |
| <b>Jul-17</b>                         | 445.8  | 445.8  | 437    | 438    | -8     |
| <b>Sep-17</b>                         | 460.3  | 460.5  | 453    | 453    | -8     |
| <b>Dec-17</b>                         | 478.0  | 478.0  | 470    | 471    | -8     |

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> © 2016 Indian Agribusiness Systems Pvt Ltd.