

Wheat Domestic Fundamentals:

Wheat cash markets trades range bound. Market participants opine that wheat FAQ varieties would stay steady to slightly firm in the short to medium term while premium grade would continue to trade firm. Wheat is being traded in the range of Rs 1585 to Rs 1660 per qtl., depending upon sourcing place and quality of the seed. Overall sentiment remains firm. Demand from south India continues. Rake loading is being reported at Rs 1790 to 1810 per qtl. from Kota to Bangalore.

Govt increased import duty on wheat from 10 percent to 25 percent to check the current flow of import. At current duty wheat costing at Cochin port from Australi, Russia and France may be around \$329.35,291.49 and \$271.77 respectively per T.against this Indian wheat FoB is \$257 per T at Kandla Port.

Agriwatch preliminary estimate (based on pre sowing farmer's intention) shows slightly lower area coverage under wheat than last year. Area coverage may dip slightly in Rajasthan. Wheat sowing starts in Gujarat and may get delayed by a week or two in other states. Total area coverage may touch 304 lakh ha. Under normal condition wheat production is expected around 94 MMT in 2015-16 crop year.

Wheat import during the week ending 11th Oct - was registered at 3000 tonne at an average CiF quote of \$268.63 per tonne. As parity is not in favour of India, export volume is unlikely to increase in the coming weeks. Export volume was registered at 484.51 tonne during the same period at an average FoB of \$300.87 per tonne..Wheat has been imported from Australia and offloaded at Cochin port.

Wheat stock in central pool was registered at 336.65 lakh tonne as on 16.09.2015. Stock in transit was reported at around 3.46 lakh tonne while wheat lying in mandis was registered at 0.35 lakh tonne. As on first October India requires 175.20 lakh tonne as buffer stock and 30 lakh tonne as reserve stock. In Sept 2014 central pool stock was registered at 351.72 lakh tonne. It is 1.98 percent lower than the available stock in Sept, 2014.

The CACP(Commission for Agricultural Costs and Prices) has recommended to hike wheat MSP by 5.17 percent from Rs 1450 to Rs 1525 per qtl for wheat to be marketed in MY2016-17. In general Agriculture Ministry accepts CACP recommendation. However, ministry will prepare a cabinet note after taking suggestion from states and other ministries.

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 has brought 2.4 lakh tonne Russian and Romanian wheat At an average price of \$212.16 per tonne including freight. Deals have been struck for 60,000 Russian wheat at at \$201.98 a tonne, plus \$9.10 a tonne freight from Aston. Romanian wheat from Glencore at \$203.65 a tonne plus \$9.08 a tonne freight. French wheat from Soufflet at \$204.74 a tonne plus \$11.99 a tonne freight.

IGC has revised wheat production estimate by 7 million tonne to 727 MMT on the basis of improved production prospects in Russian Ukraine, Australia and EU. It might be a final production estimate for the year. Previously IGC had increased production estimate from 710 to 720 MMT.

Saudi Arabia may Import 3.5 MMT wheat in 2016.In 2015 total wheat import may touch 3.4 MMT.As Saudi Arabia has abandoned its plan to achieve self sufficiency, import volume is expected to increase continuously.

Domestic market Outlook: *Wheat cash market is likely trade weak.*

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Spread	Nov-15	Dec-15	Jan-16	Feb-16
Spot Narela				
15-Nov	-15			
15-Dec		30		
16-Jan			-	

Stocks	Demat	In- Process	Total	FED
	21-Oct-15	21-Oct-15	21-Oct-15	19-Oct-15
Delhi				
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	24614	0	24614	29386
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 23.10.2015

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			23-Oct-15	21-Oct-15	
Delhi					
	Lawrence Road	Mill Delivery	1685	1690	-5
	Narella	Mill Quality Loose	1640	Closed	-
	Nazafgarh	Mill Quality Loose	1630	Closed	-
Gujarat	Rajkot	Mill Delivery	1670	1675	-5
	Ahmedabad	Mill Delivery	1720	1730	-10
	Dhrol	Mill Quality Loose	NA	NA	-
	Surat	Mill Delivery	1760	1760	Unch
M.P.	Bhopal	Mill Quality Loose	1525	Closed	-
	Indore	Mill Delivery	1710	1710	Unch
Rajasthan	Kota	Mill Quality Loose	1550	1550	Unch
		Mill Delivery	1650	1640	10
U.P.	Kanpur	Mill Delivery	1570	1565	5
	Mathura	Mill Quality Loose	1515	1515	Unch
	Kosi	Mill Quality Loose	1550	1550	Unch
	Hathras	Mill Quality Loose	1500	1525	-25
	Aligarh	Mill Quality Loose	1500	Closed	-
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1560	1555	5
	Hodal	Mill Delivery	NA	NA	-
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1600	1600	Unch
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1880	1850	30
	Madurai	Mill Quality	1937	1907	30
	Coimbatore	Mill Quality	1937	1907	30
Bihar	Sitamari	Mill Delivery	Closed	Closed	-
	Khagariya	Mill Delivery	1680	1685	-5
FOR	Kandla(Rajasthan-Rajkot)	Mill Quality	1600	1600	Unch

	Gandhidham(Rajasthan-Rajkot)	Mill Quality	1600	1600	Unch
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Centre	Market	Variety	Prices (Rs/Qtl)		Change
			23-Oct-15	21-Oct-15	
Gujarat					
	Rajkot	Lokwan	2000	2000	Unch
	Dhrol	Lokwan	NA	NA	-
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1700	Closed	-
	Bina	Sarbati 306	2400	Closed	-
Rajasthan	Kota	Lokwan Bilty	1800	1800	Unch
	Baran	Lokwan	NA	NA	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			23-Oct-15	21-Oct-15	
Delhi					
	Lawrence Road	Mill Delivery	3000	4500	-1500
	Narella	Mill Quality Loose	250	Closed	-
	Nazafgarh	Mill Quality Loose	300	Closed	-
Gujarat	Rajkot	Mill Quality Loose	800	600	200
	Dhrol	Mill Quality Loose	NA	7	-
M.P.	Indore	Mill Quality Loose	2000	3000	-1000
Rajasthan	Kota	Mill Quality	4000	4000	Unch
U.P.	Kanpur	Mill Quality Loose	500	400	100
	Mathura	Mill Quality Loose	400	400	Unch
	Kosi	Mill Quality Loose	NA	800	-
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	500	Closed	-
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	100	100
	Hodal	Mill Quality Loose	NA	NA	-
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	500	200	300

Wheat Products Delhi			23-Oct-15	21-Oct-15	Change
Atta (50kg) Ordinary			875	875	Unch
Maida Grade 1 (90kg)			2202	2202	Unch
Maida Grade 1 (50KG)			1205	1205	Unch
Suji (50kg)			1230	1230	Unch
Chokar (50 kg)			733	733	Unch



Chokar (34 kg)	490	490	Unch
Chakki Atta (50kg)	1015	1015	Unch
Chakki Atta (50kg) Special	NA	NA	-
Chakki Atta (90kg) Superfine	1861	1861	Unch
Chakki Atta (50kg) Superfine	NA	NA	-

Wheat (CBOT) Future Price: 21.10.2015					
Contract Month	Open	High	Low	Close	Change
15-Dec	494.75	500.75	490.50	490.75	-4.00
16-Mar	501.25	507.00	496.75	497.00	-4.25
16-May	507.50	511.00	501.00	501.50	-4.00
16-Jul	509.25	513.25	503.25	503.75	-4.00
16-Sep	520.00	521.75	512.00	512.00	-3.75
16-Dec	534.00	535.00	525.50	526.00	-3.75

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