

## Wheat Domestic Fundamentals:

**Wheat futures traded lower on Monday taking clue from weak cash market.** Market participants opine that it is down ward correction and may be viewed as technical correction. Overall sentiments for FAQ varieties remain firm. in the short to medium term. 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.

**Wheat import during the week ending 18th Oct - was registered only 2 tonne at an average CiF quote of \$100.98 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 1244.65 tonne during the same period at an average FoB of \$310.03 per tonne. Wheat has been imported from Australia and offloaded at Cochin port.

**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 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
<b>Spot Narela</b>				
<b>15-Nov</b>	10			
<b>15-Dec</b>		65		
<b>16-Jan</b>			-	

Stocks	Demat	In- Process	Total	FED
	<b>24-Oct-15</b>	<b>24-Oct-15</b>	<b>24-Oct-15</b>	<b>19-Oct-15</b>
<b>Delhi</b>				
<b>Itarsi</b>	-	-	-	-
<b>Kanpur</b>	-	-	-	-
<b>Kota</b>	14838	0	14838	29386
<b>Rajkot</b>	-	-	-	-

**Wheat Daily Prices and Arrivals on 26.10.2015**

	Market	Variety	Prices (Rs/Qtl)		Change
			<b>26-Oct-15</b>	<b>24-Oct-15</b>	
<b>Delhi</b>					
	Lawrence Road	Mill Delivery	1690	1685	<b>5</b>
	Narella	Mill Quality Loose	1655	1655	<b>Unch</b>
	Nazafgarh	Mill Quality Loose	1625	1625	<b>Unch</b>
<b>Gujarat</b>	Rajkot	Mill Delivery	1670	1670	<b>Unch</b>
	Ahmedabad	Mill Delivery	1710	1720	<b>-10</b>
	Dhrol	Mill Quality Loose	NR	NR	<b>-</b>
	Surat	Mill Delivery	1750	1765	<b>-15</b>
<b>M.P.</b>	Bhopal	Mill Quality Loose	1525	Closed	<b>-</b>
	Indore	Mill Delivery	1710	1710	<b>Unch</b>
<b>Rajasthan</b>	Kota	Mill Quality Loose	1550	1550	<b>Unch</b>
		Mill Delivery	1650	1650	<b>Unch</b>
<b>U.P.</b>	Kanpur	Mill Delivery	1565	1565	<b>Unch</b>
	Mathura	Mill Quality Loose	1500	1510	<b>-10</b>
	Kosi	Mill Quality Loose	1540	1550	<b>-10</b>
	Hathras	Mill Quality Loose	NR	1500	<b>-</b>
	Aligarh	Mill Quality Loose	1500	1500	<b>Unch</b>
<b>Punjab</b>	Khanna	Mill Quality Loose	NA	NA	<b>-</b>
	(Ludhiana)Jagraon	Mill Delivery	NA	NA	<b>-</b>
<b>Haryana</b>	Sirsa	Mill Delivery loose	1560	1560	<b>Unch</b>
	Hodal	Mill Delivery	NA	NA	<b>-</b>
	Karnal	Mill Delivery	NA	NA	<b>-</b>
	Bhiwani	Mill Quality Loose	1600	1600	<b>Unch</b>
	Panipat	Mill Quality Loose	NA	NA	<b>-</b>
<b>Tamil Nadu</b>	Chennai	Mill Quality	1880	1880	<b>Unch</b>
	Madurai	Mill Quality	1937	1937	<b>Unch</b>
	Coimbatore	Mill Quality	1937	1937	<b>Unch</b>
<b>Bihar</b>	Sitamari	Mill Delivery	Closed	Closed	<b>-</b>
	Khagariya	Mill Delivery	1660	1660	<b>Unch</b>
<b>FOR</b>	Kandla(Rajasthan-Rajkot)	Mill Quality	1600	1600	<b>Unch</b>

	Gandhidham(Rajasthan-Rajkot)	Mill Quality	1600	1600	Unch
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Centre	Market	Variety	Prices (Rs/Qtl)		Change
			26-Oct-15	24-Oct-15	
Gujarat					
	Rajkot	Lokwan	2000	2050	-50
	Dhrol	Lokwan	NR	NR	-
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1750	Closed	-
	Bina	Sarbati 306	2400	Closed	-
Rajasthan	Kota	Lokwan Bilty	1800	1750	50
	Baran	Lokwan	NA	NA	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			26-Oct-15	24-Oct-15	
Delhi					
	Lawrence Road	Mill Delivery	5000	3000	2000
	Narella	Mill Quality Loose	300	300	Unch
	Nazafgarh	Mill Quality Loose	150	150	Unch
Gujarat	Rajkot	Mill Quality Loose	1500	800	700
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Quality Loose	1000	1000	Unch
Rajasthan	Kota	Mill Quality	4000	4000	Unch
U.P.	Kanpur	Mill Quality Loose	500	400	100
	Mathura	Mill Quality Loose	300	250	50
	Kosi	Mill Quality Loose	500	400	100
	Hathras	Mill Quality Loose	NR	NA	-
	Aligarh	Mill Quality Loose	1000	500	500
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	500	600	-100

Wheat (CBOT) Future Price: 23.10.2015					
Contract Month	Open	High	Low	Close	Change
15-Dec	490.75	494.00	484.75	490.50	-0.25
16-Mar	497.00	500.00	491.25	497.25	0.25
16-May	500.50	506.50	495.25	501.50	unch



16-Jul	502.75	506.00	497.50	503.00	-0.75
16-Sep	514.30	514.30	506.00	511.25	-0.75
16-Dec	526.80	528.00	520.00	525.50	-0.50

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