

Wheat Domestic Fundamentals:

Wheat cash and futures markets could not sustain its uptrend taking clue from futures. However, short supply of FAQ varieties and festive demand from local millers remains supportive to the cash market fundamentals. Market may recover once again. Wheat is being traded in the range of Rs 1580 to Rs 1665 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 1780 to 1800 per qtl. from Kota to Bangalore.

No fresh deal for import has been reported after the imposition of 25 percent duty on wheat. Higher import duty has made import costly and import parity is almost over now. Notably, govt. had increased import duty from 10 percent to 25 percent in mid Sept to check the current flow of import. At current duty wheat costing at Cochin port from Australia, Russia and France may be around \$332.35, 297.49 and \$286.77 respectively per T. against this Indian wheat FoB is \$256 per T at Kandla Port.

Wheat import during the week ending 25 th Oct - was registered only 3000 tonne at an average CiF quote of \$264.20 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 346.52 tonne during the same period at an average FoB of \$260.65 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:

Australia's wheat crop may face quality problems as the country's eastern belt are forecast to receive heavy rains this week, may damage the crop which is ready for harvest. Dry weather in September and above average temperatures this month have already curbed yields of high-protein prime hard wheat.

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.

Russia has cut taxes on wheat sale for export and it has encouraged export volume last week. Buyers are switching to Russia for wheat. Black Sea prices for Russian wheat with 12.5 percent protein content were up \$1 at \$198 per tonne on a free-on-board (FOB) basis. Russian wheat export in October may be around 21 MMT. Third grade wheat quote is hovering \$169.29 per T in the European parts of Russia.

Domestic market Outlook: Wheat cash market is likely trade steady.

Wheat Futures Contact: NCDEX Price						Date: 02.11.2015			
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
15-Nov	-12	1640	1641	1626	1630	1060	10	6220	-70
15-Dec	-7	1678	1678	1670	1670	190	140	1020	110
16-Jan	0								

Spread	Nov-15	Dec-15	Jan-16	Feb-16
Spot Narela				
15-Nov	-25			
15-Dec		40		
16-Jan			-	

Stocks	Demat	In- Process	Total	FED
	31-Oct-15	31-Oct-15	31-Oct-15	26-Oct-15
Delhi				
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	13786	0	13786	14057
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 02.11.2015

	Market	Variety	Prices (Rs/Qtl)		Change
			2-Nov-15	31-Oct-15	
Delhi	Lawrence Road	Mill Delivery	1680	1690	-10
	Narella	Mill Quality Loose	1655	1650	5
	Nazafgarh	Mill Quality Loose	1620	1625	-5
Gujarat	Rajkot	Mill Delivery	1600	Closed	-
	Ahmedabad	Mill Delivery	1650	Closed	-
	Dhrol	Mill Quality Loose	NR	NR	-
	Surat	Mill Delivery	1680	Closed	-
M.P.	Bhopal	Mill Quality Loose	1550	Closed	-
	Indore	Mill Delivery	1685	Closed	-
Rajasthan	Kota	Mill Quality Loose	1500	1525	-25
		Mill Delivery	1600	1625	-25
U.P.	Kanpur	Mill Delivery	1565	1565	Unch
	Mathura	Mill Quality Loose	1510	1510	Unch
	Kosi	Mill Quality Loose	1540	1545	-5
	Hathras	Mill Quality Loose	1525	NR	-
	Aligarh	Mill Quality Loose	1500	1500	Unch
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1565	1540	25
	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	1870	1890	-20
	Madurai	Mill Quality	1927	1947	-20
	Coimbatore	Mill Quality	1927	1947	-20
Bihar	Sitamari	Mill Delivery	1575	Closed	-
	Khagariya	Mill Delivery	1680	1650	30
FOR	Kandla(Rajasthan-Rajkot)	Mill Quality	1600	Closed	-

	Gandhidham(Rajasthan-Rajkot)	Mill Quality	1600	Closed	-
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Centre	Market	Variety	Prices (Rs/Qtl)		Change
			2-Nov-15	31-Oct-15	
Gujarat					
	Rajkot	Lokwan	2000	Closed	-
	Dhrol	Lokwan	NR	NR	-
M.P.	Indore	Lokwan	2100	Closed	-
	Bhopal	Lokwan	1700	Closed	-
	Bina	Sarbati 306	NR	Closed	-
Rajasthan	Kota	Lokwan Bilty	1750	1750	Unch
	Baran	Lokwan	NA	NA	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			2-Nov-15	31-Oct-15	
Delhi					
	Lawrence Road	Mill Delivery	4000	3500	500
	Narella	Mill Quality Loose	300	400	-100
	Nazafgarh	Mill Quality Loose	100	100	Unch
Gujarat	Rajkot	Mill Quality Loose	1500	Closed	-
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Quality Loose	4000	Closed	-
Rajasthan	Kota	Mill Quality	4000	5000	-1000
U.P.	Kanpur	Mill Quality Loose	400	300	100
	Mathura	Mill Quality Loose	100	125	-25
	Kosi	Mill Quality Loose	500	600	-100
	Hathras	Mill Quality Loose	200	NR	-
	Aligarh	Mill Quality Loose	500	500	Unch
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	600	-100

Wheat Products Delhi			2-Nov-15	31-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: 30.10.2015					
Contract Month	Open	High	Low	Close	Change
15-Dec	515.25	523.50	515.00	522.00	7.00
16-Mar	519.50	527.00	519.50	525.50	6.00
16-May	523.50	530.00	523.00	529.00	5.50
16-Jul	527.00	530.75	524.00	530.00	5.00
16-Sep	531.25	538.00	531.25	538.00	5.00
16-Dec	546.25	549.00	543.00	548.50	3.75

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