

Wheat Domestic Fundamentals:

Wheat cash markets traded steady to slightly firm on Saturday. Physical market is expected to trade steady in the near term. Wheat sowing commences with recent rains and decreasing temperature in major producing region.

India increases MSP of wheat by 5.2 percent from Rs 1450 to Rs 1525 for MY 2016-17. Earlier CACP had recommended to hike wheat MSP By Rs 75 per qtl. Govt buys wheat and rice every year to maintain buffer stock and for distribution for various welfare schemes.

New wheat would start hitting the market in another 4 months. This implies that the government would need to release around 10 to 11 MMT wheat in next four months till March-2015 against available stock of 31.87 MMT. Hence supply side would remain normal despite firm sentiments and weak export demand.

Wheat import during the week ending 1st Nov- was registered 10700 tonne at an average CiF quote of \$265.04 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 437.32 tonne during the same period at an average FoB of \$328.11 per tonne. Wheat has been imported from Australia and offloaded at Cochin port.

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 on wheat 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.

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:

Rains that fell across much of the central United States last week has boosted ratings of the emerging winter wheat crop winter wheat plantings at 89 percent complete, and good-to-excellent condition ratings up 3 percentage points to 50 percent..

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.

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

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

Stocks	Demat	In- Process	Total	FED
	6-Nov-15	6-Nov-15	6-Nov-15	2-Nov-15
Delhi				
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	13786	0	13786	13786
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 07.11.2015

	Market	Variety	Prices (Rs/Qtl)		Change
			7-Nov-15	06-Nov-15	
Delhi	Lawrence Road	Mill Delivery	1680	1680	Unch
	Narella	Mill Quality Loose	1655	1635	20
	Nazafgarh	Mill Quality Loose	1625	1625	Unch
Gujarat	Rajkot	Mill Delivery	1560	1550	10
	Ahmedabad	Mill Delivery	1600	1590	10
	Dhrol	Mill Quality Loose	NR	1690	-
	Surat	Mill Delivery	1630	1630	Unch
M.P.	Bhopal	Mill Quality Loose	1520	1530	-10
	Indore	Mill Delivery	1660	1660	Unch
Rajasthan	Kota	Mill Quality Loose	1500	1500	Unch
		Mill Delivery	1600	1600	Unch
U.P.	Kanpur	Mill Delivery	1565	1565	Unch
	Mathura	Mill Quality Loose	1515	1515	Unch
	Kosi	Mill Quality Loose	1550	1540	10
	Hathras	Mill Quality Loose	1500	1511	-11
	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	1570	1570	Unch
	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	1880	Unch
	Madurai	Mill Quality	1937	1937	Unch
	Coimbatore	Mill Quality	1937	1937	Unch
Bihar	Sitamari	Mill Delivery	Closed	1580	-
	Khagariya	Mill Delivery	1800	1750	50
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
			7-Nov-15	6-Nov-15	
Gujarat					
	Rajkot	Lokwan	2000	2000	Unch
	Dhrol	Lokwan	NR	1960	-
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1650	1700	-50
	Bina	Sarbati 306	2600	2500	100
Rajasthan	Kota	Lokwan Bilty	1750	1750	Unch
	Baran	Lokwan	NA	NA	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			7-Nov-15	6-Nov-15	
Delhi					
	Lawrence Road	Mill Delivery	4500	3500	1000
	Narella	Mill Quality Loose	300	250	50
	Nazafgarh	Mill Quality Loose	100	50	50
Gujarat	Rajkot	Mill Quality Loose	600	700	-100
	Dhrol	Mill Quality Loose	NR	6	-
M.P.	Indore	Mill Quality Loose	2000	2000	Unch
Rajasthan	Kota	Mill Quality	5000	4000	1000
U.P.	Kanpur	Mill Quality Loose	400	400	Unch
	Mathura	Mill Quality Loose	125	150	-25
	Kosi	Mill Quality Loose	800	500	300
	Hathras	Mill Quality Loose	500	400	100
	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	100	200	-100
	Hodal	Mill Quality Loose	NA	NA	-
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	700	600	100

Wheat Products Delhi			7-Nov-15	6-Nov-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: 06.11.2015					
Contract Month	Open	High	Low	Close	Change
15-Dec	524.50	526.00	517.75	523.25	-3.00
16-Mar	525.25	527.00	519.25	525.50	-1.50
16-May	527.00	530.25	521.75	529.25	0.75
16-Jul	526.75	530.75	521.50	530.00	2.50
16-Sep	530.50	538.75	529.50	537.75	2.50
16-Dec	543.75	552.50	543.25	551.50	2.75

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