

**Wheat Domestic Fundamentals:**

**Cash wheat market trades steady on increasing hope for higher supply from central pool stock.** Area coverage too has recovered slightly, supported by cold weather considered to be beneficial to the standing crop. However, loss of area in M.P, Gujarat and Uttar Pradesh would reduce crop size considerably. Planting season is almost over now. Weather remains very crucial now. Farmers await rains in the growing belt. Recent rains are lower than normal expectation.

**Supply is bound to increase in the remaining months of the current MY** as FCI is planning to offload some of its excess stock of wheat in next two and a half months till March-2016. Wheat would be sold in open market and restrict firmness..The Food Corporation of India (FCI) has so far sold close to 41 lakh tonnes of wheat in the current year. Total sale in current fiscal year is expected to reach at 65 lakh tonne and average price may be realised around Rs 1605 per qtl. for the year. Last year, FCI had sold wheat at an average price of Rs 1602 per qtl.

**As on January 1, the FCI's wheat stock was registered at 240 lakh tonnes**, up by 74% as against the 138 lakh tonnes required as per the buffer stocking norms on the same date. Higher availability in open market would restrict firm trend in wheat. Overall availability would be ample to take care of lean season demand.

**Wheat area coverage was registered at 281.7 lakh ha as on 8th Jan, 2016**, lower by 5.89 % from last year covered in the corresponding time. India had covered 299.33 lakh ha area on 8th January, 2015. As planting season is almost over now, slight increase is expected now and it may end up with 29 million ha this year.

**Agriwatch has revised wheat production estimate down by 3.62 MMT to 85.32 MMT** for 2016-17 MY starting from April-2016. Crop size may be revised down further if weather turns unfavourable in March –April once again like last year. Carryout for 2016-17 would decrease from 13.99 to 5.81 MMT, the lowest in a decade.

**India exported 519.05 tonne wheat during week ending 10th January-2016 at an ave price of \$311.39 per tonne.** Export volume remains weak due to disparity and there is no hope for any recovery in the short to medium term. There was no import registered last week despite weak international market. Current season will end in March and by then Indian import volume is expected to reach 7 lakh tonne. So far around 5 lakh tonne wheat has been imported. Season may end up with 2 to 3 lakh tonne export..

**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:**

**IGC wheat production estimate remained unchanged this month too at 726 MMT.** However, trade estimate has been revised up by 1 MMT to 151 MMT.

**Russian wheat prices fell from \$191 to \$184 in last one week due to weaker local currency and declining global wheat price.** The Russian rouble continued to fall against the dollar since the start of the year along with crude oil, which dropped to a new 12-year low on concerns about China's economy. Pressure on wheat price may continue in the weeks ahead. Lower wheat price in Russia would enable Russia to export more volume.

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

<b>Wheat Futures Contact: NCDEX Price</b>								<b>Date: 15.01.2016</b>	
<b>Contract Month</b>	<b>Ch from previous day</b>	<b>Open</b>	<b>High</b>	<b>Low</b>	<b>Close</b>	<b>Vol</b>	<b>Ch. From previous day</b>	<b>OI</b>	<b>Ch. From previous day</b>
<b>16-Jan</b>	1	1644.00	1665.00	1622.00	1638.00	20	-40	190	-100
<b>16-Feb</b>	1	1674.00	1685.00	1674.00	1680.00	60	-200	850	6-0
<b>16-Mar</b>	6	1685	1685	1685.00	1685	10	-10	70	10

Spread	Jan-16	Feb-16	Mar-16	Apr-16
Spot Narela				
16-Jan	-2			
16-Feb		42		
16-Mar			-	

Stocks	Demat	In- Process	Total	FED
	15-Jan-16	15-Jan-16	15-Jan-16	12-Jan-16
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	1510	0	1510	1460
Rajkot	-	-	-	-

**Wheat Daily Prices and Arrivals on 16.01.2016**

	Market	Variety	Prices (Rs/Qtl)		Change
			16-Jan-16	15-Jan-16	
Delhi	Lawrence Road	Mill Delivery	1700	1700	Unch
	Narella	Mill Quality Loose	1640	1640	Unch
	Nazafgarh	Mill Quality Loose	1640	1640	Unch
Gujarat	Rajkot	Mill Delivery	1730	1730	Unch
	Ahmedabad	Mill Delivery	1760	1750	10
	Dhrol	Mill Quality Loose	1925	NR	-
	Surat	Mill Delivery	1780	1780	Unch
M.P.	Bhopal	Mill Quality Loose	1560	1560	Unch
	Indore	Mill Delivery	NR	1640	-
Rajasthan	Kota	Mill Quality Loose	1615	Closed	-
		Mill Delivery	1700	Closed	-
U.P.	Kanpur	Mill Delivery	1570	1570	Unch
	Mathura	Mill Quality Loose	1690	1690	Unch
	Kosi	Mill Quality Loose	1640	1635	5
	Hathras	Mill Quality Loose	NR	Closed	-
	Aligarh	Mill Quality Loose	NR	NA	-
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1570	1570	Unch
	Hodal	Mill Delivery	1705	NR	-
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	NR	NR	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1850	NR	-
	Madurai	Mill Quality	1907	NR	-
	Coimbatore	Mill Quality	1907	NR	-
Bihar	Sitamari	Mill Delivery	NR	Closed	-
	Khagariya	Mill Delivery	1750	1750	Unch

<b>FOR</b>	Kandla(Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham(Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			16-Jan-16	15-Jan-16	
<b>Gujarat</b>	Rajkot	Lokwan	2100	2150	<b>-50</b>
	Dhrol	Lokwan	1760	1840	<b>-80</b>
	Indore	Lokwan	NR	2000	-
<b>M.P.</b>	Bhopal	Lokwan	1750	1750	<b>Unch</b>
	Bina	Sarbati 306	NA	2600	-
	Kota	Lokwan Bilty	1610	Closed	-
<b>Rajasthan</b>	Baran	Lokwan	NR	Closed	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			16-Jan-16	15-Jan-16	
<b>Delhi</b>	Lawrence Road	Mill Delivery	1200	1000	<b>200</b>
	Narella	Mill Quality Loose	250	200	<b>50</b>
	Nazafgarh	Mill Quality Loose	50	100	<b>-50</b>
	Rajkot	Mill Quality Loose	700	300	<b>400</b>
<b>Gujarat</b>	Dhrol	Mill Quality Loose	6	2	<b>4</b>
	Indore	Mill Quality Loose	NR	1000	-
<b>M.P.</b>	Kota	Mill Quality	3000	Closed	-
<b>Rajasthan</b>	Kanpur	Mill Quality Loose	500	400	<b>100</b>
	Mathura	Mill Quality Loose	80	150	<b>-70</b>
	Kosi	Mill Quality Loose	300	300	<b>Unch</b>
	Hathras	Mill Quality Loose	NR	Closed	-
	Aligarh	Mill Quality Loose	NA	NA	-
<b>Punjab</b>	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Quality Loose	200	100	<b>100</b>
	Hodal	Mill Quality Loose	50	NR	-
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	NR	NR	-

Wheat Products Delhi			15-Jan-16	14-Jan-16	Change
Atta (50kg) Ordinary			950	950	<b>Unch</b>
Maida Grade 1 (90kg)			2301	2301	<b>Unch</b>
Maida Grade 1 (50KG)			1260	1260	<b>Unch</b>
Suji (50kg)			1310	1310	<b>Unch</b>



Chokar (50 kg)	728	728	Unch
Chokar (34 kg)	502	502	Unch
Chakki Atta (50kg)	950	950	Unch
Chakki Atta (50kg) Special	NA	NA	-
Chakki Atta (90kg) Superfine	1897	1897	Unch
Chakki Atta (50kg) Superfine	NA	NA	-

Wheat (CBOT) Future Price: 15.1.2016					
Contract Month	Open	High	Low	Close	Change
16-Mar	468.75	474.50	465.00	473.75	5.00
16-May	474.75	479.50	470.50	478.50	4.25
16-Jul	480.00	485.25	476.50	484.50	4.00
16-Sep	489.00	493.25	485.50	493.00	3.75
16-Dec	502.75	507.25	499.50	506.75	4.00
17-Mar	513.00	517.25	510.75	517.25	3.75

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