

Wheat Domestic Fundamentals:

Cash wheat market stayed 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.

Wheat area coverage was registered at 288.98 lakh ha as on 15th Jan,2016, lower by 5 % from last year's coverage. India had covered 303.51 lakh ha area on 15th 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.

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.

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 firm.

Wheat Futures Contact: NCDEX Price								Date:19.01.2016	
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
16-Feb	-14	1699.00	1700.00	1682.00	1682.00	160	80	890	6-0
16-Mar	-11	1683	1683.00	1680.00	1680.00	30	20	100	30
16-Apr	-2	1610	1611.00	1608.00	1608.00	10	-	100	-

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

Stocks	Demat	In- Process	Total	FED
	18-Jan-16	18-Jan-16	18-Jan-16	18-Jan-16
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	1510	50	1560	1510
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 19.01.2016

	Market	Variety	Prices (Rs/Qtl)		Change
			19-Jan-16	18-Jan-16	
Delhi	Lawrence Road	Mill Delivery	1700	1705	-5
	Narella	Mill Quality Loose	1640	1640	Unch
	Nazafgarh	Mill Quality Loose	1650	1650	Unch
Gujarat	Rajkot	Mill Delivery	1715	1715	Unch
	Ahmedabad	Mill Delivery	1740	1740	Unch
	Dhrol	Mill Quality Loose	2090	2120	-30
	Surat	Mill Delivery	1760	1770	-10
M.P.	Bhopal	Mill Quality Loose	1560	1550	10
	Indore	Mill Delivery	1640	1640	Unch
Rajasthan	Kota	Mill Quality Loose	1610	1610	Unch
		Mill Delivery	1700	1700	Unch
U.P.	Kanpur	Mill Delivery	1570	1570	Unch
	Mathura	Mill Quality Loose	1700	1700	Unch
	Kosi	Mill Quality Loose	1660	1640	20
	Hathras	Mill Quality Loose	NR	NR	-
	Aligarh	Mill Quality Loose	NR	NA	-
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1575	1570	5
	Hodal	Mill Delivery	1705	1705	Unch
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1600	1600	Unch
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1850	1850	Unch
	Madurai	Mill Quality	1907	1907	Unch
	Coimbatore	Mill Quality	1907	1907	Unch
Bihar	Sitamari	Mill Delivery	1625	1620	5
	Khagariya	Mill Delivery	1750	1750	Unch

FOR	Kandla(Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham(Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			19-Jan-16	18-Jan-16	
Gujarat					
	Rajkot	Lokwan	2000	2000	Unch
	Dhrol	Lokwan	1815	1835	-20
M.P.	Indore	Lokwan	1900	1900	Unch
	Bhopal	Lokwan	1750	1750	Unch
	Bina	Sarbati 306	2600	2600	Unch
Rajasthan	Kota	Lokwan Bilty	1750	1750	Unch
	Baran	Lokwan	NR	NR	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			19-Jan-16	18-Jan-16	
Delhi					
	Lawrence Road	Mill Delivery	1000	1000	Unch
	Narella	Mill Quality Loose	200	200	Unch
	Nazafgarh	Mill Quality Loose	100	50	50
Gujarat	Rajkot	Mill Quality Loose	800	900	-100
	Dhrol	Mill Quality Loose	5	5	Unch
M.P.	Indore	Mill Quality Loose	1000	1500	-500
Rajasthan	Kota	Mill Quality	2500	2500	Unch
U.P.	Kanpur	Mill Quality Loose	500	400	100
	Mathura	Mill Quality Loose	60	100	-40
	Kosi	Mill Quality Loose	300	500	-200
	Hathras	Mill Quality Loose	NR	NR	-
	Aligarh	Mill Quality Loose	NR	NA	-
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	50	-
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	20	20	Unch

Wheat Products Delhi			19-Jan-16	18-Jan-16	Change
Atta (50kg) Ordinary			950	950	Unch
Maida Grade 1 (90kg)			2301	2301	Unch
Maida Grade 1 (50KG)			1260	1260	Unch
Suji (50kg)			1310	1310	Unch



Chokar (50 kg)	703	703	-25
Chokar (34 kg)	490	490	-12
Chakki Atta (50kg)	950	950	Unch
Chakki Atta (50kg) Special	NA	NA	-
Chakki Atta (90kg) Superfine	1852	1852	-45
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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