

Wheat Domestic Fundamentals:

Cash wheat market traded slightly weak on increasing hope for higher supply from central pool stock. Area coverage too has recovered slightly, supported by cold wave 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.

Wheat export price in Russia continues to reel under pressure on weak rouble. Wheat having 12.5 % protein content is being quoted at \$181 per tonne free on board basis. The rouble is down 6 percent against the dollar since the start of 2016.Russia has exported 15.5 MMT wheat from 1st July to 13,Jan-2016.The wheat harvest totalled 61.8 million tonnes in 2015, up from 59.7 million tonnes the previous year. It would further add pressure on price in local market. Local price for third class wheat is being quoted at \$142 per tonne.

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

Wheat Futures Contact: NCDEX Price								Date:20.01.2016	
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
16-Jan	-4	1657.00	1654.00	1653.00	1653.00	90	40	240	50
16-Feb	-11	1686.00	1686.00	1683.00	1683.00	60	210	850	-40
16-Mar	+4	1697.00	1605.00	1697.00	1605.00	10	-40	100	-10

Spread	Jan-16	Feb-16	Mar-16	Apr-16
Spot Narela				
16-Feb	13			
16-Mar		-78	-	
16-Apr			-	

Stocks	Demat	In- Process	Total	FED
	19-Jan-16	19-Jan-16	19-Jan-16	18-Jan-16
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	1510	50	1510	1510
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 20.01.2016

	Market	Variety	Prices (Rs/Qtl)		Change
			20-Jan-16	19-Jan-16	
Delhi					
	Lawrence Road	Mill Delivery	1700	1700	Unch
	Narella	Mill Quality Loose	Closed	1640	-
	Nazafgarh	Mill Quality Loose	Closed	1650	-
Gujarat	Rajkot	Mill Delivery	1710	1715	-5
	Ahmedabad	Mill Delivery	1740	1740	Unch
	Dhrol	Mill Quality Loose	1910	2090	-180
	Surat	Mill Delivery	1765	1760	5
M.P.	Bhopal	Mill Quality Loose	1560	1560	Unch
	Indore	Mill Delivery	1640	1640	Unch
Rajasthan	Kota	Mill Quality Loose	1605	1610	-5
		Mill Delivery	1610	1700	-90
U.P.	Kanpur	Mill Delivery	1570	1570	Unch
	Mathura	Mill Quality Loose	1700	1700	Unch
	Kosi	Mill Quality Loose	1660	1660	Unch
	Hathras	Mill Quality Loose	NA	NR	-
	Aligarh	Mill Quality Loose	Closed	NR	-
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1575	1575	Unch
	Hodal	Mill Delivery	1705	1705	Unch
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1590	1600	-10
	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	1620	1625	-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
			20-Jan-16	19-Jan-16	
Gujarat	Rajkot	Lokwan	2000	2000	Unch
	Dhrol	Lokwan	1735	1815	-80
	Indore	Lokwan	1900	1900	Unch
M.P.	Bhopal	Lokwan	1750	1750	Unch
	Bina	Sarbati 306	Closed	2600	-
	Kota	Lokwan Bilty	1750	1750	Unch
Rajasthan	Baran	Lokwan	NR	NR	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			20-Jan-16	19-Jan-16	
Delhi	Lawrence Road	Mill Delivery	1000	1000	Unch
	Narella	Mill Quality Loose	Closed	200	-
	Nazafgarh	Mill Quality Loose	Closed	100	-
	Rajkot	Mill Quality Loose	600	800	-200
Gujarat	Dhrol	Mill Quality Loose		5	
	Indore	Mill Quality Loose	1000	1000	Unch
M.P.	Kota	Mill Quality	2500	2500	Unch
Rajasthan	Kanpur	Mill Quality Loose	400	500	-100
	Mathura	Mill Quality Loose	60	60	Unch
	Kosi	Mill Quality Loose	300	300	Unch
	Hathras	Mill Quality Loose	NA	NR	-
	Aligarh	Mill Quality Loose	Closed	NR	-
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	100	NA	-
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	600	20	580

Wheat Products Delhi			20-Jan-16	19-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: 19.1.2016					
Contract Month	Open	High	Low	Close	Change
16-Mar	475.00	479.00	470.50	474.50	0.75
16-May	479.75	483.75	475.50	479.00	0.50
16-Jul	485.50	490.00	481.50	485.00	0.50
16-Sep	493.00	498.00	490.75	493.75	0.75
16-Dec	506.75	512.00	504.00	507.25	0.50
17-Mar	519.75	521.50	515.00	517.50	0.25

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