

Wheat Domestic Fundamentals:

Arrival from new crop in M.P. Starts and it is being traded at Rs 1650 to Rs 2000 per qtl. Arrival of around 250 bags was reported in Indore mandis. Arrival pressure is expected in February. Wheat quality is good and there is no report of any damage so far. Recent rains have been beneficial to the standing crop in central and north India. new crop will hit Gujarat by Feb end.

Cash wheat market traded mixed 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.

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 to trade steady to slightly weak.

Wheat Futures Contact: NCDEX Price								Date:21.01.2016	
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
16-Feb	-3	1684.00	1690.00	1681.00	1681.00	50	-40	860	160
16-Mar	-10	1675.00	1675.00	1675.00	1675.00	10	-200	100	-640
16-Apr	-4	1593.00	1600.00	1693.00	1598.00	80	70	750	-575

Spread	Feb-16	Mar-16	Apr-16	May-16
Spot Narela				
16-Feb	-31			
16-Mar		-6	-	
16-Apr			27	

Stocks	Demat	In- Process	Total	FED
	20-Jan-16	20-Jan-16	20-Jan-16	18-Jan-16
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	1510	50	1510	1510
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 21.01.2016

	Market	Variety	Prices (Rs/Qtl)		Change
			21-Jan-16	20-Jan-16	
Delhi	Lawrence Road	Mill Delivery	1705	1700	5
	Narella	Mill Quality Loose	1645	Closed	-
	Nazafgarh	Mill Quality Loose	1650	Closed	-
	Rajkot	Mill Delivery	1690	1710	-20
Gujarat	Ahmedabad	Mill Delivery	1730	1740	-10
	Dhrol	Mill Quality Loose	2160	1910	250
	Surat	Mill Delivery	1760	1765	-5
	Bhopal	Mill Quality Loose	1560	1560	Unch
M.P.	Indore	Mill Delivery	1640	1640	Unch
	Kota	Mill Quality Loose	1605	1605	Unch
Rajasthan		Mill Delivery	1610	1610	Unch
U.P.	Kanpur	Mill Delivery	1575	1570	5
	Mathura	Mill Quality Loose	1700	1700	Unch
	Kosi	Mill Quality Loose	1660	1660	Unch
	Hathras	Mill Quality Loose	NR	NA	-
	Aligarh	Mill Quality Loose	NR	Closed	-
	Khanna	Mill Quality Loose	NA	NA	-
Punjab	(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	1620	1590	30
	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	1620	Unch
	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
			21-Jan-16	20-Jan-16	
Gujarat					
	Rajkot	Lokwan	2000	2000	Unch
	Dhrol	Lokwan	NR	1735	
M.P.	Indore	Lokwan	2050	1900	150
	Bhopal	Lokwan	1725	1750	-25
	Bina	Sarbati 306	2600	Closed	-
Rajasthan	Kota	Lokwan Bilty	1750	1750	Unch
	Baran	Lokwan	NR	NR	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			21-Jan-16	20-Jan-16	
Delhi					
	Lawrence Road	Mill Delivery	1000	1000	Unch
	Narella	Mill Quality Loose	200	Closed	-
	Nazafgarh	Mill Quality Loose	100	Closed	-
Gujarat	Rajkot	Mill Quality Loose	700	600	100
	Dhrol	Mill Quality Loose	6	3	3
M.P.	Indore	Mill Quality Loose	800	1000	-200
Rajasthan	Kota	Mill Quality	2500	2500	Unch
U.P.	Kanpur	Mill Quality Loose	500	400	100
	Mathura	Mill Quality Loose	50	60	-10
	Kosi	Mill Quality Loose	200	300	-100
	Hathras	Mill Quality Loose	NR	NA	-
	Aligarh	Mill Quality Loose	NR	Closed	-
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	50	100	-50
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	200	600	-400

Wheat Products Delhi			21-Jan-16	20-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: 20.1.2016					
Contract Month	Open	High	Low	Close	Change
16-Mar	473.00	475.50	467.25	471.50	-3.00
16-May	478.00	480.00	472.25	475.75	-3.25
16-Jul	483.50	486.25	478.00	481.25	-3.75
16-Sep	489.50	494.50	487.25	489.75	-4.00
16-Dec	506.25	508.75	501.25	503.50	-3.75
17-Mar	516.00	518.50	513.75	513.75	-3.75

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