

### Wheat Domestic Fundamentals:

**Wheat cash market stayed steady to slightly weak on improved area coverage and lower offtake by local millers taking clue from weak futures.** Govt. too is monitoring cash market closely and is keen to increase flow from central pool stock in coming weeks. New crop has started pouring in in Gujarat and Madhya Pradesh and quality of crop is said to be good. Market may trade weak in weeks ahead.

**Export and import continue in small quantity for various destinations. India exported 325.4 tonnes of wheat during week ended 25th January-2016.** Average FoB quote realized last week was \$351.15 per tonne. As prices are ruling lower in global market export opportunity for Indian wheat exporters seems bleak.

**All India average price for wheat increased marginally by 0.03 % from previous week** from Rs 1763.29 to Rs 1763.87 per qtl. during the week ended 23rd January-2016. Prices ruled 0.4 % higher from 3<sup>rd</sup> week of January, 2015. Slight decrease is expected due to improved sowing status in Uttar Pradesh and decreasing temperature in other producing regions with light shower of rains.

**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 291.97 lakh ha as on 22<sup>nd</sup> Jan, 2016,** lower by 4.46 % from last year's coverage. India had covered 305.6 lakh ha area on 22<sup>nd</sup> January, 2015. As planting season is almost over now, so this figure may be final for this year now..

**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.

**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.

**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:

**As per USDA, U.S wheat exports at 2,57,700 MT (for the period 8th Jan- 14th Jan, 2016) were down 53 percent from the previous week and 31 percent from the prior 4-week average.** The primary destinations were Japan (118,000 MT), Guatemala (31,700 MT), Mexico (28,900 MT), South Korea (23,900 MT), and the Dominican Republic (22,900 MT).

**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.

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

<b>Wheat Futures Contact: NCDEX Price</b>								<b>Date: 27.01.2016</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-Feb</b>	-3	1688.00	1690.00	1644.00	1659.00	270	170	960	130
<b>16-Mar</b>	0	-	-	-	-				
<b>16-Apr</b>	-22	1575.00	1585.00	1573.00	1573.00	140	50	800	30

Spread	Feb-16	Mar-16	Apr-16	May-16
Spot Narela				
16-Feb	4			
16-Mar		1	-	
16-Apr			23	

Stocks	Demat	In- Process	Total	FED
	25-Jan-16	25-Jan-16	25-Jan-16	25-Jan-16
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	1510	50	1510	1510
Rajkot	-	-	-	-

**Wheat Daily Prices and Arrivals on 27.1.2016**

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			27-Jan-16	25-Jan-16	
Delhi	Lawrence Road	Mill Delivery	1700	1700	Unch
	Narela	Mill Quality Loose	Closed	1655	-
	Nazafgarh	Mill Quality Loose	Closed	1650	-
Gujarat	Rajkot	Mill Delivery	1640	1650	-10
	Ahmedabad	Mill Delivery	1725	1725	Unch
	Dhrol	Loose	2010	2125	-115
	Surat	Mill Delivery	1740	1740	Unch
M.P.	Bhopal	Lokwan	1900	1700	200
	Indore	Mill Delivery	1620	1630	-10
Rajasthan	Kota	Mill Quality Loose	1610	1610	Unch
		Mill Delivery	1700	1700	Unch
U.P.	Kanpur	Mill Delivery	1580	1575	5
	Mathura	Mill Quality Loose	1700	1700	Unch
	Kosi	Mill Quality Loose	1655	1650	5
	Hathras	Mill Quality Loose	NR	NR	-
	Aligarh	Mill Quality Loose	Closed	NA	-
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	1610	1610	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 Quality	1620	1620	Unch
	Khagariya	Mill Quality	1750	NR	-

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

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			27-Jan-16	25-Jan-16	
Gujarat	Rajkot	Lokwan	1950	1950	Unch
	Dhrol	Lokwan	1770	1830	-60
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1900	1700	200
	Bina	Sarbati 306	Closed	2400	-
Rajasthan	Kota	Lokwan Bilty	1800	1800	Unch
	Baran	Lokwan	NR	NR	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			27-Jan-16	25-Jan-16	
Delhi	Lawrence Road	Mill Delivery	500	NA	-
	Narella	Mill Quality Loose	Closed	50	-
	Nazafgarh	Mill Quality Loose	Closed	50	-
Gujarat	Rajkot	Mill Quality Loose	1000	100	900
	Dhrol	Mill Delivery	8	1	7
M.P.	Indore	Mill Quality Loose	2000	1000	1000
Rajasthan	Kota	Mill Quality	2500	2200	300
U.P.	Kanpur	Mill Quality Loose	500	400	100
	Mathura	Mill Quality Loose	50	50	Unch
	Kosi	Mill Quality Loose	400	300	100
	Hathras	Mill Quality Loose	NR	NR	-
	Aligarh	Mill Quality Loose	Closed	NA	-
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	50	50	Unch
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	400	600	-200

Wheat Products Delhi			27-Jan-16	25-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	Unch
Chokar (34 kg)			490	490	Unch



Chakki Atta (50kg)	950	950	Unch
Chakki Atta (50kg) Special	NA	NA	-
Chakki Atta (90kg) Superfine	1852	1852	Unch
Chakki Atta (50kg) Superfine	NA	NA	-

Wheat (CBOT) Future Price: 26.1.2016					
Contract Month	Open	High	Low	Close	Change
16-Mar	481.50	488.50	478.00	484.75	3.25
16-May	486.75	493.50	483.00	490.00	3.25
16-Jul	491.75	499.00	488.50	495.50	3.25
16-Sep	500.25	507.25	498.50	503.75	2.75
16-Dec	515.00	521.00	511.50	517.50	2.50
17-Mar	530.00	531.00	527.75	527.75	2.50

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