

Wheat Domestic Fundamentals:

Mostly cash markets traded unchanged due to limited trading activities at the end of the week. Improved area coverage, cold wave in major wheat growing belts and likely rains have brightened production prospects. All these developments weigh on market fundamentals. Wheat prices may trade steady to slightly weak this week. New arrivals in M.P. too have weakened sentiments as crop quality is good and is being traded at Rs 1650 to 1850 per qtl. New arrival in Gujarat is expected from mid February.

Export and import continue in small quantity for various destinations. India exported 325.4 tonnes of wheat during week ended 25 th 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. Indian millers imported.4950 tonne wheat from Australia at an ave CiF of \$253.67 per tonne last week.

Indian wheat growing States have covered 292.52 lakh ha area till 28th Jan-2016.It is almost 4.4 % lower (305.94 lakh ha) in comparison to area covered in the corresponding time last year. States like Uttar Pradesh, Gujarat and Madhya Pradesh are running behind by 6.04, 21.60 and 8.25 % at progressive wheat area coverage front. Sowing is almost over now. So any major recovery at coverage front is unlikely. However, overall acreage may decrease from 306 lakh ha. to 293 lakh ha due to late sowing and moisture stress in Nov-Dec-2015.

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.

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 revised wheat production estimate up by 5MMT to 731 MMT this month. Trade estimate too has been revised up by 1 MMT to 152 MMT. However, consumption estimate has been revised down by 1MMT to 719 MMT in the month of Jan 2016.Carryout stock has been revised up by 5MMT down from 208 to 213MMT.

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).

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

Wheat Futures Contact: NCDEX Price								Date:29.01.2016	
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
16-Feb	2	1659.00	1672.00	1656.00	1656.00	80	-10	1000	10
16-Mar	-2	1650.00	1652.00	1650.00	1650.00	10	10	100	0
16-Apr	-8	1563.00	1567.00	1561.00	1567.00	60	-130	830	-190

Spread	Feb-16	Mar-16	Apr-16	May-16
Spot Narela				
16-Feb	5			
16-Mar		-5	-	
16-Apr			-89	

Stocks	Demat	In- Process	Total	FED
	29-Jan-16	29-Jan-16	29-Jan-16	25-Jan-16
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	1341	0	1341	1510
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 30.1.2016

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			30-Jan-16	29-Jan-16	
Delhi	Lawrence Road	Mill Delivery	1700	1700	Unch
	Narella	Mill Quality Loose	1660	1660	Unch
	Nazafgarh	Mill Quality Loose	1680	1650	30
Gujarat	Rajkot	Mill Delivery	1650	1650	Unch
	Ahmedabad	Mill Delivery	1740	1735	5
	Dhrol	Mill Quality Loose	NA	2165	-
	Surat	Mill Delivery	1760	1765	-5
M.P.	Bhopal	Mill Quality Loose	1610	1610	Unch
	Indore	Mill Delivery	1620	1620	Unch
Rajasthan	Kota	Mill Quality Loose	1600	1600	Unch
		Mill Delivery	1680	1700	-20
U.P.	Kanpur	Mill Delivery	1575	1575	Unch
	Mathura	Mill Quality Loose	1700	1700	Unch
	Kosi	Mill Quality Loose	1655	1650	5
	Hathras	Mill Quality Loose	NR	NA	-
	Aligarh	Mill Quality Loose	NA	NA	-
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1580	1575	5
	Hodal	Mill Delivery	NR	1705	-
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1630	1620	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	1625	1625	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
			30-Jan-16	29-Jan-16	
Gujarat					
	Rajkot	Lokwan	2000	1950	50
	Dhrol	Lokwan	NR	1723	-
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1900	1900	Unch
	Bina	Sarbati 306	2500	NR	-
Rajasthan	Kota	LokwanBilty	1800	1800	Unch
	Baran	Lokwan	NR	NR	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			30-Jan-16	29-Jan-16	
Delhi					
	Lawrence Road	Mill Delivery	NA	NA	-
	Narella	Mill Quality Loose	150	150	Unch
	Nazafgarh	Mill Quality Loose	60	100	-40
Gujarat	Rajkot	Mill Quality Loose	300	600	-300
	Dhrol	Mill Quality Loose	NR	28	-
M.P.	Indore	Mill Quality Loose	3000	2000	1000
Rajasthan	Kota	Mill Quality	2500	2500	Unch
U.P.	Kanpur	Mill Quality Loose	500	200	300
	Mathura	Mill Quality Loose	100	70	30
	Kosi	Mill Quality Loose	500	300	200
	Hathras	Mill Quality Loose	NR	NA	-
	Aligarh	Mill Quality Loose	NA	NA	-
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	NR	50	-
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	500	400	100

Wheat Products Delhi	30-Jan-16	29-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)	508	490	18
Chakki Atta (50kg)	950	950	Unch
Chakki Atta (50kg) Special	NA	NA	-
Chakki Atta (90kg) Superfine	NA	NA	-
Chakki Atta (50kg) Superfine	NA	NA	-

Wheat (CBOT) Future Price: 29.1.2016					
Contract Month	Open	High	Low	Close	Change
16-Mar	472.25	479.75	470.75	479.25	7.00
16-May	477.75	485.25	476.50	485.00	7.00
16-Jul	483.75	491.25	482.25	490.50	6.50
16-Sep	493.00	500.00	491.25	499.50	6.75
16-Dec	507.00	513.25	505.50	512.75	6.00
17-Mar	516.75	522.50	516.50	522.50	5.00

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