

Wheat Domestic Fundamentals:

Wheat cash market is likely trade steady despite lean season as area coverage has improved considerably in Uttar Pradesh and cold wave with some showers of rains has increased hope for good yield. If weather remains favorable to the wheat crop in Feb-March(as says IMD)wheat production may cross last years level. Under normal condition production is pegged at 91 MMT now. Higher production prospects may restrict any move of uptrend. Besides, arrival from new crop in M.P. has weakened inner tone in the market.

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 from306 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 by74% 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 up by around 5 MMT to 90.99 MMT for 2016-17 MY starting from April-2016. Carryout for 2016-17 would decrease from13.99 to 10.48 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 to731 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 by5MMT down from 208to 213MMT.

Argentina has made its presence visible inSouth Korea and Vietnam by exporting wheat to these countries first time.Cheaper availability of wheat has enabled Argentina to grab opportunity in unusual markets. Around 20,000 T wheat has been brought by SK while 28,600 tonne has been shipped to Vietnam.

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

Wheat Futures Contact: NCDEX Price								Date:02.02.2016	
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
16-Feb	-26	1655.00	1659.00	1630.00	1636.00	420	-90	1040	40
16-Mar	-3	1648.00	1645.00	1645.00	1645.00	10	00	100	0
16-Apr	9	1564.00	1580.00	1569.00	1573.00	280	"0	930	100

Spread	Feb-16	Mar-16	Apr-16	May-16
Spot Narela				
16-Feb	34			
16-Mar		-9	-	
16-Apr			-28	

Stocks	Demat	In- Process	Total	FED
	30-Jan-16	30-Jan-16	30-Jan-16	25-Jan-16
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	1341	0	1341	1510
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 01.02.2016

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			01-Feb-16	30-Jan-16	
Delhi					
	Lawrence Road	Mill Delivery	1700	1700	Unch
	Narella	Mill Quality Loose	1660	1660	Unch
	Nazafgarh	Mill Quality Loose	1660	1680	-20
Gujarat	Rajkot	Mill Delivery	1675	1650	25
	Ahmedabad	Mill Delivery	1740	1740	Unch
	Dhrol	Mill Quality Loose	1825	2030	-205
	Surat	Mill Delivery	1765	1760	5
M.P.	Bhopal	Mill Quality Loose	1525	1610	-85
	Indore	Mill Delivery	1620	1620	Unch
Rajasthan	Kota	Mill Quality Loose	NR	1600	-
		Mill Delivery	NR	1680	-
U.P.	Kanpur	Mill Delivery	1575	1575	Unch
	Mathura	Mill Quality Loose	1675	1700	-25
	Kosi	Mill Quality Loose	1650	1655	-5
	Hathras	Mill Quality Loose	NA	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	1580	1580	Unch
	Hodal	Mill Delivery	1705	NR	-
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1630	1630	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	1630	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
			01-Feb-16	30-Jan-16	
Gujarat					
	Rajkot	Lokwan	2000	2000	Unch
	Dhrol	Lokwan	1725	1780	-55
M.P.	Indore	Lokwan	2100	2000	100
	Bhopal	Lokwan	1725	1900	-175
	Bina	Sarbati 306	2500	2500	Unch
Rajasthan	Kota	LokwanBilty	NR	1800	-
	Baran	Lokwan	NR	NR	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			01-Feb-16	30-Jan-16	
Delhi					
	Lawrence Road	Mill Delivery	NA	NA	-
	Narella	Mill Quality Loose	200	150	50
	Nazafgarh	Mill Quality Loose	50	60	-10
Gujarat	Rajkot	Mill Quality Loose	500	300	200
	Dhrol	Mill Quality Loose	3	7	-4
M.P.	Indore	Mill Quality Loose	1500	3000	-1500
Rajasthan	Kota	Mill Quality	NR	2500	-
U.P.	Kanpur	Mill Quality Loose	400	500	-100
	Mathura	Mill Quality Loose	150	100	50
	Kosi	Mill Quality Loose	400	500	-100
	Hathras	Mill Quality Loose	NA	NR	-
	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	100	200	-100
	Hodal	Mill Quality Loose	50	NR	-
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	500	500	Unch

Wheat Products Delhi	01-Feb-16	30-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	508	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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