

Wheat Domestic Fundamentals:

Wheat cash markets trade under pressure with improved area coverage, favorable weather conditions in major growing states and beginning of new arrivals in Gujarat and M.P. Pressure may continue. However, temperature in Feb-March is very crucial and it would direct market in coming weeks.

All India average wholesale wheat price increased considerably by 1.44 % from Rs 1811.44 to Rs1837.57 per qtl. during the week ended 29th January-2016. Prices ruled 5.75 % higher from 4th week of January, 2015. Slight decrease is expected due to improved sowing status in Uttar Pradesh and decreasing temperature in other producing regions with likely light shower of rains expected next week in North India.

Wheat area coverage was registered at 292.51lakh ha as on 28th ,Jan,2016, lower by 4.39 % from last year's coverage. India had covered 305.94 lakh ha area on28th January,2015. As planting season is almost over now ,so this figure may be taken as final for this year planting.

Major setback has been seen in states like Gujarat, Madhya Pradesh and Maharashtra where it decreased by 20.55,11.29 and 27.94 % respectively. This year major shortfall is expected in these three states. However, area in Haryana and Rajasthan has improved by 0.84 & 7.04 % this year. Rains at this stage are very crucial. Overall, wheat production this year may cross previous year level if weather remains favorable in Feb & March-2016

Export and import continue in small quantity for various destinations. India exported 889.33 tonnes of wheat during week ended 31st January-2016..Average FoB quote realized last week was \$361.64 per tonne. As prices are ruling lower in global market export opportunity for Indian wheat exporters seems bleak.

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:03.02.2016	
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
16-Feb	-5	1610.00	1634.00	1607.00	1612.00	120	-240	1070	10
16-Mar	-0	1636.00	1679.00	1620.00	1636.00	70	00	120	00
16-Apr	-7	1570.00	1570.00	1561.00	1564.00	130	80	990	-2290

Spread	Feb-16	Mar-16	Apr-16	May-16
Spot Narela				
16-Feb	42			
16-Mar		24	-	
16-Apr			41	

Stocks	Demat	In- Process	Total	FED
	02-Feb-16	02-Feb-16	02-Feb-16	01-Feb-16
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	1341	0	1341	1341
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 03.02.2016

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			03-Feb-16	02-Feb-16	
Delhi					
	Lawrence Road	Mill Delivery	1700	1700	Unch
	Narella	Mill Quality Loose	Closed	1655	-
	Nazafgarh	Mill Quality Loose	Closed	1660	-
Gujarat	Rajkot	Mill Delivery	1670	1675	-5
	Ahmedabad	Mill Delivery	1730	1745	-15
	Dhrol	Mill Quality Loose	2000	2200	-200
	Surat	Mill Delivery	1760	1770	-10
M.P.	Bhopal	Mill Quality Loose	1525	1550	-25
	Indore	Mill Delivery	1620	1620	Unch
Rajasthan	Kota	Mill Quality Loose	1570	1570	Unch
		Mill Delivery	1670	1670	Unch
U.P.	Kanpur	Mill Delivery	1575	1575	Unch
	Mathura	Mill Quality Loose	1675	1665	10
	Kosi	Mill Quality Loose	1650	1660	-10
	Hathras	Mill Quality Loose	NA	NR	-
	Aligarh	Mill Quality Loose	1630	1620	10
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	1705	Unch
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1620	1615	5
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1800	1800	Unch
	Madurai	Mill Quality	1857	1857	Unch
	Coimbatore	Mill Quality	1857	1857	Unch

Bihar	Sitamari	Mill Delivery	NR	NR	-
	Khagariya	Mill Delivery	1650	1650	Unch
FOR	Kandla(Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham(Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			03-Feb-16	02-Feb-16	
Gujarat					
	Rajkot	Lokwan	2000	2000	Unch
	Dhrol	Lokwan	1740	1850	-110
M.P.	Indore	Lokwan	2100	2100	Unch
	Bhopal	Lokwan	1700	1700	Unch
	Bina	Sarbati 306	Closed	2500	-
Rajasthan	Kota	LokwanBilty	1800	1800	Unch
	Baran	Lokwan	NR	NR	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			03-Feb-16	02-Feb-16	
Delhi					
	Lawrence Road	Mill Delivery	NA	NA	-
	Narella	Mill Quality Loose	Closed	200	-
	Nazafgarh	Mill Quality Loose	Closed	60	-
Gujarat	Rajkot	Mill Quality Loose	500	700	-200
	Dhrol	Mill Quality Loose	8	4	4
M.P.	Indore	Mill Quality Loose	2000	1000	1000
Rajasthan	Kota	Mill Quality	2800	3000	-200
U.P.	Kanpur	Mill Quality Loose	400	400	Unch
	Mathura	Mill Quality Loose	150	100	50
	Kosi	Mill Quality Loose	500	500	Unch
	Hathras	Mill Quality Loose	NA	NR	-
	Aligarh	Mill Quality Loose	1700	2000	-300
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	70	-20
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	600	500	100

Wheat Products Delhi	03-Feb-16	02-Feb-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: 02.1.2016					
Contract Month	Open	High	Low	Close	Change
16-Mar	475.75	483.00	473.25	475.25	Unch
16-May	480.50	487.25	478.00	480.00	-0.50
16-Jul	485.50	492.00	483.00	485.25	-0.50
16-Sep	494.00	500.50	491.75	493.75	-0.75
16-Dec	507.50	513.50	505.00	507.25	-0.50
17-Mar	517.50	522.50	516.25	516.75	-1.00

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