

### Wheat Domestic Fundamentals:

**Weather remains favorable for wheat in central and western part of India and the crop condition is said to be good in that region despite lower area coverage excluding Rajasthan.** However, condition is not normal in north India where day temperature is higher than 21 Degree Celsius while temperature in night remains favorable for standing wheat crop. If mercury continues to hover higher in day in Feb and Mar, yield in Punjab and Haryana might be affected.

**As of now wheat quality and yield in M.P. is good and new arrival is expected to increase by the end of this month.** Daily arrival from new crop in Madhya Pradesh has been reported at around 4000 bags and is being traded at Rs 1650 to Rs 1775 per qtl. Arrival in Gujarat is expected to commence in the last week of February.

**India exported 529.03 tonnes of wheat during week ended 7<sup>th</sup> Feb -2016..Average FoB quote realized last week was \$325.17 per tonne.** As prices are ruling lower in global market export opportunity for Indian wheat exporters seems bleak. There was no import during week ended 7<sup>th</sup> Feb-2016.

**Agriwatch has revised wheat production estimate up by 4.26 MMT** from 85.32 MMT to 89.58 MMT for 2016-17 MY starting from April-2016. Temperature in Feb & March may affect yield where wheat has been sown late. Carryout for 2016-17 would decrease from 13.99 to 9.57 MMT, the lowest in a decade.

**Sowing is almost over now and total coverage under wheat has been reported at 292.52 lakh ha** against 305.94 lakh ha last year, lower by 13.42 lakh ha from last year. Shortfall of 13.42 lakh ha in area and delayed sowing of wheat in Uttar Pradesh, Rajasthan, Maharashtra would impact crop size by 35 to 45 lakh tonne from normal expectation. Temperature in Feb, March and April would be decisive factor for the final crop size in 2016.

**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.

**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 213 MMT.

**Grain agency of Algeria OAIC has brought around 5 lakh tonne milling wheat through** tender in the beginning of February-2016. The deal has been struck at \$178 per tonne on CiF basis. The origin of wheat is France. Some wheat has been purchased from UK too. As prices are ruling lower, so exporters have limited selling. Delivery of this deal is due in April and May.

**Argentina has made its presence visible in South 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: 10.02.2016	
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
16-Feb	-2	1575.00	1610.00	1575.00	1590.00	1140	170	620	-10
16-Mar	--25	1604.00	1610.00	1583.00	1583.00	310	130	380	-90
16-Apr	-8	1556.00	1566.00	1555.00	1556.00	560	10	1050	10

Spread	Feb-16	Mar-16	Apr-16	May-16
Spot Narela				
16-Feb	90			
16-Mar		-7	-	
16-Apr			-27	

Stocks	Demat	In- Process	Total	FED
	09-Feb-16	09-Feb-16	09-Feb-16	08-Feb-16
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	1341	0	1341	1341
Rajkot	-	-	-	-

**Wheat Daily Prices and Arrivals on 10.02.2016**

	Market	Variety	Prices (Rs/Qtl)		Change
			10-Feb-16	09-Feb-16	
<b>Delhi</b>					
	Lawrence Road	Mill Delivery	1705	1700	5
	Narella	Mill Quality Loose	Closed	1650	-
	Nazafgarh	Mill Quality Loose	Closed	1650	-
<b>Gujarat</b>	Rajkot	Mill Delivery	1660	1660	Unch
	Ahmedabad	Mill Delivery	1725	1725	Unch
	Dhrol	Mill Quality Loose	2045	NR	-
	Surat	Mill Delivery	1755	1760	-5
<b>M.P.</b>	Bhopal	Mill Quality Loose	1550	1550	Unch
	Indore	Mill Delivery	1600	1630	-30
<b>Rajasthan</b>	Kota	Mill Quality Loose	1550	1550	Unch
		Mill Delivery	1640	1640	Unch
<b>U.P.</b>	Kanpur	Mill Delivery	1575	1575	Unch
	Mathura	Mill Quality Loose	1625	1625	Unch
	Kosi	Mill Quality Loose	1660	1660	Unch
	Hathras	Mill Quality Loose	NR	1690	-
	Aligarh	Mill Quality Loose	Closed	NA	-
<b>Punjab</b>	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Delivery	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Delivery loose	1600	1600	Unch
	Hodal	Mill Delivery	1705	1705	Unch
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1625	1615	10
	Panipat	Mill Quality Loose	NA	NA	-
<b>Tamil Nadu</b>	Chennai	Mill Quality	1850	1850	Unch
	Madurai	Mill Quality	1907	1907	Unch
	Coimbatore	Mill Quality	1907	1907	Unch
<b>Bihar</b>	Sitamari	Mill Delivery	1620	1625	-5
	Khagariya	Mill Delivery	1700	1700	Unch

<b>FOR</b>	Kandla(Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham(Rajasthan-Rajkot)	Mill Quality	NA	NA	-

<b>Centre</b>	<b>Market</b>	<b>Variety</b>	<b>Prices (Rs/Qtl)</b>		<b>Change</b>
			<b>10-Feb-16</b>	<b>09-Feb-16</b>	
<b>Gujarat</b>	Rajkot	Lokwan	1700	Closed	-
	Dhrol	Lokwan	1765	NR	-
	Indore	Lokwan	2100	2100	Unch
<b>M.P.</b>	Bhopal	Lokwan	1700	1700	Unch
	Bina	Sarbati 306	Closed	2500	-
	Kota	LokwanBilty	1750	1750	Unch
<b>Rajasthan</b>	Baran	Lokwan	NR	NR	-

<b>Centre</b>	<b>Market</b>	<b>Variety</b>	<b>Arrivals (Bags/Qtl)</b>		<b>Change</b>
			<b>10-Feb-16</b>	<b>09-Feb-16</b>	
<b>Delhi</b>	Lawrence Road	Mill Delivery	NA	NA	-
	Narella	Mill Quality Loose	Closed	350	-
	Nazafgarh	Mill Quality Loose	Closed	100	-
	Rajkot	Mill Quality Loose	700	Closed	-
<b>Gujarat</b>	Dhrol	Mill Quality Loose	2	NR	-
	Indore	Mill Quality Loose	2000	2000	Unch
<b>Rajasthan</b>	Kota	Mill Quality	3500	4000	-500
<b>U.P.</b>	Kanpur	Mill Quality Loose	500	400	100
	Mathura	Mill Quality Loose	200	125	75
	Kosi	Mill Quality Loose	350	350	Unch
	Hathras	Mill Quality Loose	NR	900	-
	Aligarh	Mill Quality Loose	Closed	NA	-
<b>Punjab</b>	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	50	30	20
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	300	400	-100

<b>Wheat Products Delhi</b>			<b>10-Feb-16</b>	<b>9-Feb-16</b>	<b>Change</b>
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	Unch
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: 09.1.2016					
Contract Month	Open	High	Low	Close	Change
16-Mar	458.8	460.3	455.0	457.5	-1.0
16-May	463.0	464.3	459.3	461.8	-1.3
16-Jul	468.3	469.5	464.5	466.5	-1.8
16-Sep	477.8	478.3	473.3	475.3	-1.8
16-Dec	492.0	492.3	487.8	489.3	-1.8
17-Mar	500.0	501.8	499.5	501.3	-0.5

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