

## Wheat Domestic Fundamentals:

**Wheat cash market continues to trade lower on improved production prospects**, favorable weather and normal demand side. Arrival from new crop and bearish global market trend restrict wheat cash market in India. However, higher temperature may impact yield as mostly crop in central and north India, except UP & Bihar is in grain filling stages. Above normal temperature in day may impact yield. So Feb and March would be very crucial.

**Agricultural Statistics Division, Directorate of Economics & Statistics (DES)** has released Second Adv. Estimate for Rabi crop for 2015-16 on 15th Feb, 2016. Production target for wheat in Rabi had been set at 94.75 lakh tonne. Now in Second Adv. estimate it has estimated wheat production for 2015-16 at 93.82 lakh tonne. Notably, India has produced 86.53 million tonne wheat in 2014-15.

**The ongoing weather conditions, particularly the maximum day temperature hovering around 22 degrees and night temperatures between six and 12 degrees are ideal conditions for proliferation of the fungal disease.**

**As of now wheat quality and yield in M.P. are 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 30,000 bags including Dewas and is being traded at Rs 1550 to Rs 1620 per qtl. Arrival in Gujarat is expected to commence by the end of February.**

**Only token export are being done right now.India exported 138.36 tonne wheat** during week ended 14th February-2016 at an ave price of \$264.84 per tonne.The highest quotereceived last week was \$285.84 while the lowest quote was registered at \$252.23 per tonne.UAE and Nepal were the major buyers last week.There is no hope for anyrecovery on export front despite arrival from the new crop is round the corner.There was no import last week .

**The govt sets wheat procurement target at 30MMT for RMS 2016-17,almost same as last year.It was decided to procure 300 lakh tons (lt) of wheat during RMS 2016-17.The actual procurement of wheat during RMS 2015-16 was 280.88 lt, inspite of wheat crop getting affected due to untimely rains and hailstorms during last March-April.**

**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.**

### International Market Update:

**As per USDA, U.S wheat exports at 3,76,500 MT (for the period 29th Jan- 4th Feb, 2016) were up 64 percent from the previous week and 11 percent from the prior 4-week average. The primary destinations were Japan (71,100 MT), Mexico (59,800 MT), Taiwan (55,000 MT), Yemen (43,600 MT), Guatemala (30,700 MT), and the Philippines (27,500 MT).**

**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.

**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.**

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

[illegible]

Spread	Feb-16	Mar-16	Apr-16	May-16
<b>Spot Narela</b>				
<b>16-Feb</b>	-89			
<b>16-Mar</b>		-15	-	
<b>16-Apr</b>			-12	

Stocks	Demat	In- Process	Total	FED
	<b>20-Feb-16</b>	<b>20-Feb-16</b>	<b>20-Feb-16</b>	<b>15-Feb-16</b>
<b>Delhi</b>	-	-	-	-
<b>Itarsi</b>	-	-	-	-
<b>Kanpur</b>	-	-	-	-
<b>Kota</b>	922	0	922	1341
<b>Rajkot</b>	-	-	-	-

**Wheat Daily Prices and Arrivals on 22.02.2016**

	Market	Variety	Prices (Rs/Qtl)		Change
			<b>22-Feb-16</b>	<b>20-Feb-16</b>	
<b>Delhi</b>					
	Lawrence Road	Mill Delivery	1720	1700	<b>20</b>
	Narella	Mill Quality Loose	1660	NR	-
	Nazafgarh	Mill Quality Loose	NA	1650	-
<b>Gujarat</b>	Rajkot	Mill Delivery	1660	1660	<b>Unch</b>
	Ahmedabad	Mill Delivery	1720	1725	<b>-5</b>
	Dhrol	Mill Quality Loose	NR	NA	-
	Surat	Mill Delivery	1750	1750	<b>Unch</b>
<b>M.P.</b>	Bhopal	Mill Quality Loose	NR	1550	-
	Indore	Mill Delivery	1610	1610	<b>Unch</b>
<b>Rajasthan</b>	Kota	Mill Quality Loose	1550	1500	<b>50</b>
		Mill Delivery	1625	1600	<b>25</b>
<b>U.P.</b>	Kanpur	Mill Delivery	1575	1580	<b>-5</b>
	Mathura	Mill Quality Loose	1630	1650	<b>-20</b>
	Kosi	Mill Quality Loose	1650	NA	-
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	1720	NR	-
<b>Punjab</b>	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Delivery	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Delivery loose	1600	1600	<b>Unch</b>
	Hodal	Mill Delivery	NR	NR	-
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1650	1650	<b>Unch</b>
	Panipat	Mill Quality Loose	NA	NA	-
<b>Tamil Nadu</b>	Chennai	Mill Quality	1850	1850	<b>Unch</b>
	Madurai	Mill Quality	1907	1907	<b>Unch</b>
	Coimbatore	Mill Quality	1907	1907	<b>Unch</b>

<b>Bihar</b>	Sitamari	Mill Delivery	1620	Closed	-
	Khagariya	Mill Delivery	1800	1800	Unch
<b>FOR</b>	Kandla(Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham(Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			<b>22-Feb-16</b>	<b>20-Feb-16</b>	
<b>Gujarat</b>					
	Rajkot	Lokwan	1950	1900	50
	Dhrol	Lokwan	NR	NA	-
<b>M.P.</b>	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	NR	1650	-
	Bina	Sarbati 306	Closed	2300	-
<b>Rajasthan</b>	Kota	LokwanBilty	1750	1750	Unch
	Baran	Lokwan	NR	NR	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			<b>22-Feb-16</b>	<b>20-Feb-16</b>	
<b>Delhi</b>					
	Lawrence Road	Mill Delivery	NA	NA	-
	Narella	Mill Quality Loose	50	NR	-
	Nazafgarh	Mill Quality Loose	NA	100	-
<b>Gujarat</b>	Rajkot	Mill Quality Loose	1000	800	200
	Dhrol	Mill Quality Loose	NR	NA	-
<b>M.P.</b>	Indore	Mill Quality Loose	4000	4000	Unch
<b>Rajasthan</b>	Kota	Mill Quality	2000	2000	Unch
<b>U.P.</b>	Kanpur	Mill Quality Loose	500	400	100
	Mathura	Mill Quality Loose	50	100	-50
	Kosi	Mill Quality Loose	250	NA	-
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	2200	NR	-
<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	NR	NR	-
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	NA	NA	-

Wheat Products Delhi			22-Feb-16	20-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)	481	481	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: 19.1.2016					
Contract Month	Open	High	Low	Close	Change
16-Mar	492.00	495.50	491.75	493.25	0.75
16-May	493.75	498.75	493.25	497.75	3.25
16-Jul	501.25	506.50	501.00	505.50	3.75
16-Sep	511.50	515.50	511.50	515.50	4.00
16-Dec	527.00	530.25	526.75	530.25	3.50
17-Mar	540.25	545.00	540.25	544.50	3.00

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