

Wheat Domestic Fundamentals:

Wheat cash markets traded almost stable taking clue from good crop condition so far. Supply- demand side is almost normal and recent showers of rains are said to be beneficial to the standing crop under development stages in north India. Arrivals from new crop in MP and expected arrivals in Gujarat by mid March have put a cap on upward momentum. Overall outlook remains bearish. However, above normal temperature in day may impact yield. So Feb and March would be very crucial for final wheat crop size.

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 564.67 tonne wheat during week ended 21st February-2016 at an ave price of \$318.44 per tonne. The highest quote received last week was \$440.06 while the lowest quote was registered at \$179.05 per tonne. UAE and Kuwait were the major buyers last week. There is no hope for any recovery 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 30 MMT 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, in spite 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:

Wheat cash market in Canada moved higher by \$2 to % per tonne during last five days. Firm CBOT helped Canadian wheat cash market to recover once again. Average Canada Western Red Spring (CWRS) wheat prices were up by about \$2-\$5 per tonne. Average prices ranged from about \$221 per tonne in southeastern Saskatchewan to as high as \$237 in southern Alberta.

IGC revised wheat production estimate up by 5 MMT 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 1 MMT to 719 MMT in the month of Jan 2016. Carryout stock has been revised up by 5 MMT 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.

Domestic market Outlook: Wheat cash market is likely trade range bound.

Wheat Futures Contact: NCDEX Price									
Date: 24.02.2016									
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
16-Mar	-1.00	1585.00	1585.00	1575.00	1577.00	120	70	565	65
16-Apr	4.00	1556.00	1560.00	1556.00	1559.00	130	60	2190	20
16-May	00.00	1565.00	1565.00	1565.00	1565.00	10	-	470	-

Spread	Mar-16	Apr-16	May-16	Jun-16
Spot Narela				
16-Mar	103			
16-Apr		-19		
16-May				

Stocks	Demat	In- Process	Total	FED
	23-Feb-16	23-Feb-16	23-Feb-16	22-Feb-16
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	922	0	922	922
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 24.02.2016

	Market	Variety	Prices (Rs/Qtl)		Change
			24-Feb-16	23-Feb-16	
Delhi					
	Lawrence Road	Mill Delivery	1720	1715	5
	Narella	Mill Quality Loose	Closed	1670	-
	Nazafgarh	Mill Quality Loose	Closed	1670	-
Gujarat	Rajkot	Mill Delivery	1660	1660	Unch
	Ahmedabad	Mill Delivery	1720	1725	-5
	Dhrol	Mill Quality Loose	1765	1795	-30
	Surat	Mill Delivery	1750	1750	Unch
M.P.	Bhopal	Mill Quality Loose	1550	1550	Unch
	Indore	Mill Delivery	1610	1610	Unch
Rajasthan	Kota	Mill Quality Loose	1550	1550	Unch
		Mill Delivery	1640	1625	15
U.P.	Kanpur	Mill Delivery	1570	1575	-5
	Mathura	Mill Quality Loose	1635	1640	-5
	Kosi	Mill Quality Loose	1655	1660	-5
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	1750	1730	20
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1600	1600	Unch
	Hodal	Mill Delivery	1705	1705	Unch
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1650	1660	-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	1620	5

	Khagariya	Mill Delivery	1800	1800	Unch
FOR	Kandla(Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham(Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			24-Feb-16	23-Feb-16	
Gujarat					
	Rajkot	Lokwan	1850	1900	-50
	Dhrol	Lokwan	2040	2090	-50
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1650	1650	Unch
	Bina	Sarbati 306	Closed	2300	-
Rajasthan	Kota	LokwanBilty	1750	1750	Unch
	Baran	Lokwan	NR	NR	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			24-Feb-16	23-Feb-16	
Delhi					
	Lawrence Road	Mill Delivery	NA	NA	-
	Narella	Mill Quality Loose	Closed	100	-
	Nazafgarh	Mill Quality Loose	Closed	100	-
Gujarat	Rajkot	Mill Quality Loose	900	1200	-300
	Dhrol	Mill Quality Loose	4	10	-6
M.P.	Indore	Mill Quality Loose	8000	3000	5000
Rajasthan	Kota	Mill Quality	2500	3000	-500
U.P.	Kanpur	Mill Quality Loose	500	250	250
	Mathura	Mill Quality Loose	80	70	10
	Kosi	Mill Quality Loose	350	300	50
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	2100	2000	100
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	100	100	Unch
	Hodal	Mill Quality Loose	100	50	50
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	600	600	Unch

Wheat Products Delhi			24-Feb-16	23-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: 23.2.2016					
Contract Month	Open	High	Low	Close	Change
16-Mar	458.00	459.25	447.75	448.00	-10.50
16-May	463.75	466.00	455.25	455.75	-8.25
16-Jul	471.00	473.25	463.50	464.00	-7.75
16-Sep	482.00	483.75	475.25	476.00	-6.50
16-Dec	497.50	498.75	491.00	492.00	-5.25
17-Mar	506.75	507.25	501.50	503.00	-4.00

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php> © 2016 Indian Agribusiness Systems Pvt Ltd.