



Wheat Domestic Fundamentals:

Overall outlook for domestic market remains bearish. However, above normal temperature in day may impact yield. So Feb and March would be very crucial for final wheat crop size. Wheat arrival in MP has crossed 1.20 lakh bags in Madhya Pradesh. New arrival in MP has crossed 1.25 lakh bags per day and is being traded at Rs 1500 to Rs 1750 per qtl., depending on quality of the seed.

India is almost out of wheat export arena after exporting around 65 lakh tonne in 2011-12, when export was opened on the back of higher production. Since then wheat export from India has been on decline. India exported 55.6 lakh tonne in 2012-13, 29.2 lakh tonne in 2013-14, 27.5 lakh tonne in 2014-15 and 5.5 lakh tonne (till Dec) in 2015-16. Disparity, lower global wheat price and weather affected quality hampers opportunity for Indian wheat exporters. This year India would not be able to export 5/6 lakh tonne if global wheat market stays steady.

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.

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 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, 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.

International Market Update:

IGC revised wheat production estimate up by 1MMT to 732 MMT this month. Trade estimate too has not been revised and it stayed steady at 152 MMT. Consumption has been pegged at 719 MMT in the month of Feb 2016. Carryout stock has been pegged at 213MMT.

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.

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 to weak.

Wheat Futures Contact: NCDEX Price									
Date: 26.02.2016									
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
16-Mar	3.00	1595.00	1595.00	1572.00	1577.00	160	120	510	-10
16-Apr	-2.00	1550.00	1557.00	1550.00	1552.00	160	60	2220	20
16-May	-1.00	1549.00	1564.00	1549.00	1564.00	30	-10	500	0

Spread	Mar-16	Apr-16	May-16	Jun-16
Spot Narela				
16-Mar	83			
16-Apr		-25		
16-May			12	

Stocks	Demat	In- Process	Total	FED
	25-Feb-16	25-Feb-16	25-Feb-16	22-Feb-16
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	793	0	793	922
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 26.02.2016

	Market	Variety	Prices (Rs/Qtl)		Change
			26-Feb-16	25-Feb-16	
Delhi	Lawrence Road	Mill Delivery	1730	1720	10
	Narella	Mill Quality Loose	1660	1670	-10
	Nazafgarh	Mill Quality Loose	1700	1650	50
Gujarat	Rajkot	Mill Delivery	1630	1650	-20
	Ahmedabad	Mill Delivery	1715	1720	-5
	Dhrol	Mill Quality Loose	1750	1820	-70
M.P.	Surat	Mill Delivery	1735	1740	-5
	Bhopal	Mill Quality Loose	1525	1525	Unch
Rajasthan	Indore	Mill Delivery	1590	1600	-10
	Kota	Mill Quality Loose	1550	1550	Unch
		Mill Delivery	1640	1640	Unch
U.P.	Kanpur	Mill Delivery	1575	1570	5
	Mathura	Mill Quality Loose	1635	1630	5
	Kosi	Mill Quality Loose	1650	1660	-10
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	NA	NA	-
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1610	1600	10
	Hodal	Mill Delivery	1705	1705	Unch
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1660	1670	-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	1625	Unch

	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
			26-Feb-16	25-Feb-16	
Gujarat	Rajkot	Lokwan	1800	1850	-50
	Dhrol	Lokwan	2045	2035	10
	Indore	Lokwan	2000	1900	100
M.P.	Bhopal	Lokwan	1700	1700	Unch
	Bina	Sarbati 306	2250	2200	50
Rajasthan	Kota	LokwanBilty	1750	1750	Unch
	Baran	Lokwan	NR	NR	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			26-Feb-16	25-Feb-16	
Delhi	Lawrence Road	Mill Delivery	NA	NA	-
	Narella	Mill Quality Loose	250	70	180
	Nazafgarh	Mill Quality Loose	30	50	-20
Gujarat	Rajkot	Mill Quality Loose	1300	700	600
	Dhrol	Mill Quality Loose	4	2	2
M.P.	Indore	Mill Quality Loose	10000	6000	4000
Rajasthan	Kota	Mill Quality	4000	2500	1500
U.P.	Kanpur	Mill Quality Loose	500	300	200
	Mathura	Mill Quality Loose	50	25	25
	Kosi	Mill Quality Loose	250	250	Unch
	Hathras	Mill Quality Loose	NA	NA	-
	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	100	50	50
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	700	400	300

Wheat Products Delhi			26-Feb-16	25-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: 24.2.2016

Contract Month	Open	High	Low	Close	Change
16-Mar	443.25	446.75	440.50	445.25	2.50
16-May	452.50	456.00	449.50	454.00	2.75
16-Jul	459.75	464.00	458.00	462.25	2.50
16-Sep	473.25	475.00	469.25	473.00	1.75
16-Dec	489.25	491.50	485.25	489.50	1.50
17-Mar	501.25	503.25	498.25	502.50	2.25

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