

### Wheat Domestic Fundamentals:

**Mostly markets remained subdued on Tuesday on weak inner tone prevailing** into the market. Supply pressure from new crop in MP and Rajasthan may be felt by mid March. However, above normal temperature in day may impact yield, it is feared. So 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 21<sup>st</sup> 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.

### International Market Update:

**IGC revised wheat production estimate up by 1 MMT 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 213 MMT.

**Russian wheat export price decreased \$3.5 per tonne to \$177.5 per tonne** last week as traders were trying to return to more competitive levels amid a decline in global benchmarks.

**Russia exported 18.4 million tonnes of wheat, between July 1 and Feb. 24**, the agriculture ministry said. The pace of grain exports was up 1.9 percent year on year. Domestic prices for third-class wheat fell 75 roubles compared with the end of the week earlier to 11,375 roubles (\$154) a tonne in the European part of Russia on an ex-works basis.

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

Wheat Futures Contact: NCDEX Price								Date: 01.03.2016	
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
16-Mar	-18.00	1588.00	1570.00	1565.00	1570.00	30	-20	480	-30
16-Apr	-0.00	1541.00	1545.00	1535.00	1544.00	180	-260	1960	-20
16-May	-0.00	1557.00	1560.00	1550.00	1550.00	120	00	560	00

Spread	Mar-16	Apr-16	May-16	Jun-16
Spot Narela				
16-Mar	75			
16-Apr		-26		
16-May			6	

Stocks	Demat	In- Process	Total	FED
	29-Feb-16	29-Feb-16	29-Feb-16	29-Feb-16
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	793	0	793	793
Rajkot	-	-	-	-

**Wheat Daily Prices and Arrivals on 01.03.2016**

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			1-Mar-16	29-Feb-16	
Delhi	Lawrence Road	Mill Delivery	1720	1720	Unch
	Narella	Mill Quality Loose	1645	1660	-15
	Nazafgarh	Mill Quality Loose	1650	1650	Unch
Gujarat	Rajkot	Mill Delivery	1610	1630	-20
	Ahmedabad	Mill Delivery	1680	1700	-20
	Dhrol	Mill Quality Loose	1765	1780	-15
	Surat	Mill Delivery	1710	1730	-20
M.P.	Bhopal	Mill Quality Loose	1500	1500	Unch
	Indore	Mill Delivery	1600	1600	Unch
Rajasthan	Kota	Mill Quality Loose	NR	1520	-
		Mill Delivery	NR	1615	-
U.P.	Kanpur	Mill Delivery	1575	1575	Unch
	Mathura	Mill Quality Loose	1630	1650	-20
	Kosi	Mill Quality Loose	1645	1650	-5
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	1700	NA	-
Punjab	Khanna	Mill Quality Loose	1620	NA	-
	(Ludhiana)Jagraon	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1605	1605	Unch
	Hodal	Mill Delivery	1705	1705	Unch
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1630	1630	Unch
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	NA	1850	-
	Madurai	Mill Quality	NA	1907	-
	Coimbatore	Mill Quality	NA	1907	-
Bihar	Sitamari	Mill Delivery	1625	1625	Unch
	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
			1-Mar-16	29-Feb-16	
<b>Gujarat</b>					
	Rajkot	Lokwan	1800	1850	<b>-50</b>
	Dhrol	Lokwan	2065	2085	<b>-20</b>
<b>M.P.</b>	Indore	Lokwan	2000	2000	<b>Unch</b>
	Bhopal	Lokwan	1700	1700	<b>Unch</b>
	Bina	Sarbati 306	2200	2200	<b>Unch</b>
<b>Rajasthan</b>	Kota	LokwanBilty	NR	1750	-
	Baran	Lokwan	NR	NR	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			1-Mar-16	29-Feb-16	
<b>Delhi</b>					
	Lawrence Road	Mill Delivery	NA	NA	-
	Narella	Mill Quality Loose	200	600	<b>-400</b>
	Nazafgarh	Mill Quality Loose	20	30	<b>-10</b>
<b>Gujarat</b>	Rajkot	Mill Quality Loose	2200	1700	<b>500</b>
	Dhrol	Mill Quality Loose	5	4	<b>1</b>
<b>M.P.</b>	Indore	Mill Quality Loose	2500	2500	<b>Unch</b>
<b>Rajasthan</b>	Kota	Mill Quality	NR	3000	-
<b>U.P.</b>	Kanpur	Mill Quality Loose	400	400	<b>Unch</b>
	Mathura	Mill Quality Loose	40	60	<b>-20</b>
	Kosi	Mill Quality Loose	400	400	<b>Unch</b>
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	NA	NA	-
<b>Punjab</b>	Khanna	Mill Quality Loose	300	NA	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Quality Loose	100	100	<b>Unch</b>
	Hodal	Mill Quality Loose	100	100	<b>Unch</b>
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	600	500	<b>100</b>

Wheat Products Delhi			1-Mar-16	29-Feb-16	Change
Atta (50kg) Ordinary			950	950	<b>Unch</b>
Maida Grade 1 (90kg)			2301	2301	<b>Unch</b>
Maida Grade 1 (50KG)			1260	1260	<b>Unch</b>
Suji (50kg)			1310	1310	<b>Unch</b>

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: 29.2.2016					
Contract Month	Open	High	Low	Close	Change
<b>16-Mar</b>	446.25	448.50	443.00	445.00	1.75
<b>16-May</b>	455.25	456.50	450.50	453.25	1.00
<b>16-Jul</b>	461.75	462.75	457.25	460.25	0.75
<b>16-Sep</b>	469.25	471.75	467.00	470.00	0.25
<b>16-Dec</b>	485.50	486.75	482.75	485.25	-0.50
<b>17-Mar</b>	497.50	498.75	496.00	498.25	-0.50

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