

Wheat Domestic Fundamentals:

Despite disparity India exported 772.22 tonne wheat during week ended 28th Feb-2016 against 564 tonne previous week ending 21st.. It has been exported at an ave FoB of \$284.72 per tonne. Buyers for the Indian wheat are UAE, Kuwait, Malaysia and Somalia. As prices are ruling higher in domestic market, export pace would remain slow despite new crop being round the corner as global wheat markets offer wheat at very attractive price.

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 more than 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.

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 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: 02.03.2016				
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
16-Mar	0..00	1567.00	1570.00	1565.00	1567.00	30	-20	480	00
16-Apr	-1.00	1541.00	1545.00	1542.00	1542.00	50	-180	1970	10
16-May	-2.00	1554.00	1554.00	1552.00	1552.00	20	-100	580	20

Spread	Mar-16	Apr-16	May-16	Jun-16
Spot Narela				
16-Mar	73			
16-Apr		-25		
16-May			10	

Stocks	Demat	In- Process	Total	FED
	01-Mar-16	01-Mar-16	01-Mar-16	29-Feb-16
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	793	0	793	793
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 02.03.2016

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			2-Mar-16	01-Mar-16	
Delhi	Lawrence Road	Mill Delivery	1715	1720	-5
	Narella	Mill Quality Loose	Closed	1645	-
	Nazafgarh	Mill Quality Loose	Closed	1650	-
Gujarat	Rajkot	Mill Delivery	1590	1610	-20
	Ahmedabad	Mill Delivery	1680	1680	Unch
	Dhrol	Mill Quality Loose	1865	1765	100
	Surat	Mill Delivery	1710	1710	Unch
M.P.	Bhopal	Mill Quality Loose	1500	1500	Unch
	Indore	Mill Delivery	1600	1600	Unch
Rajasthan	Kota	Mill Quality Loose	1500	NR	-
		Mill Delivery	1600	NR	-
U.P.	Kanpur	Mill Delivery	1575	1575	Unch
	Mathura	Mill Quality Loose	1630	1630	Unch
	Kosi	Mill Quality Loose	1645	1645	Unch
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	Closed	1700	-
Punjab	Khanna	Mill Quality Loose	1610	1620	-10
	(Ludhiana)Jagraon	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1610	1605	5
	Hodal	Mill Delivery	1705	1705	Unch
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1625	1630	-5
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1850	NA	-
	Madurai	Mill Quality	1907	NA	-
	Coimbatore	Mill Quality	1907	NA	-
Bihar	Sitamari	Mill Delivery	1620	1625	-5
	Khagariya	Mill Delivery	1825	1800	25

FOR	Kandla(Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham(Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
Gujarat			2-Mar-16	1-Mar-16	
	Rajkot	Lokwan	1800	1800	Unch
	Dhrol	Lokwan	2140	2065	75
M.P.	Indore	Lokwan	1900	2000	-100
	Bhopal	Lokwan	1700	1700	Unch
	Bina	Sarbati 306	Closed	2200	-
Rajasthan	Kota	LokwanBilty	1700	NR	-
	Baran	Lokwan	NR	NR	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			2-Mar-16	1-Mar-16	
	Lawrence Road	Mill Delivery	NA	NA	-
	Narella	Mill Quality Loose	Closed	200	-
	Nazafgarh	Mill Quality Loose	Closed	20	-
Gujarat	Rajkot	Mill Quality Loose	1500	2200	-700
	Dhrol	Mill Quality Loose	8	5	3
M.P.	Indore	Mill Quality Loose	8000	2500	5500
Rajasthan	Kota	Mill Quality	4000	NR	-
U.P.	Kanpur	Mill Quality Loose	400	400	Unch
	Mathura	Mill Quality Loose	20	40	-20
	Kosi	Mill Quality Loose	400	400	Unch
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	Closed	NA	-
Punjab	Khanna	Mill Quality Loose	200	300	-100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	100	100
	Hodal	Mill Quality Loose	100	100	Unch
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	200	600	-400

Wheat Products Delhi			2-Mar-16	1-Mar-16	Change
Atta (50kg) Ordinary			950	950	Unch
Maida Grade 1 (90kg)			NA	2301	-
Maida Grade 1 (50KG)			1260	1260	Unch
Suji (50kg)			1310	1310	Unch



Chokar (50 kg)	683	703	-20
Chokar (34 kg)	483	481	2
Chakki Atta (50kg)	950	950	Unch
Chakki Atta (50kg) Special	1000	NA	-
Chakki Atta (90kg) Superfine	1892	NA	-
Chakki Atta (50kg) Superfine	1010	NA	-

Wheat (CBOT) Future Price: 01.3.2016					
Contract Month	Open	High	Low	Close	Change
16-Mar	445.00	446.75	437.75	438.50	-6.50
16-May	453.25	454.75	445.50	446.00	-7.25
16-Jul	459.75	461.25	452.00	452.50	-7.75
16-Sep	468.75	470.75	462.25	462.50	-7.50
16-Dec	484.00	486.00	477.25	477.50	-7.75
17-Mar	497.75	498.25	491.00	491.25	-7.00

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