

Wheat Domestic Fundamentals:

Cash Market may recover once again as expected rains in wheat growing belt of M.P and Gujarat may delay harvesting by a week or two. If rains occur with hails storm, it may affect matured crop and lend support to the cash market fundamental. So far crop condition is good and quality of wheat in MP is normal. Wheat is being traded in MP at Rs 1500 to Rs 1650 per qtl. Govt procurement would start from 15th March.

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.

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 213MMT.

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 steady to slightly firm..

Wheat Futures Contact: NCDEX Price							Date: 03.03.2016		
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
16-Mar	-4.00	1560.00	1579.00	1560.00	1563.00	90	-60	430	-50
16-Apr	-3.00	1543.00	1552.00	1543.00	1547.00	260	210	2000	30
16-May	0.00	1555.00	1555.00	1552.00	1553.00	70	50	600	20

Spread	Mar-16	Apr-16	May-16	Jun-16
Spot Narela				
16-Mar	118			
16-Apr		-16		
16-May			6	

Stocks	Demat	In- Process	Total	FED
	02-Mar-16	02-Mar-16	02-Mar-16	29-Feb-16
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	793	0	793	793
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 03.03.2016

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			3-Mar-16	02-Mar-16	
Delhi	Lawrence Road	Mill Delivery	1715	1715	Unch
	Narella	Mill Quality Loose	1645	Closed	-
	Nazafgarh	Mill Quality Loose	1655	Closed	-
Gujarat	Rajkot	Mill Delivery	1590	1590	Unch
	Ahmedabad	Mill Delivery	1680	1680	Unch
	Dhrol	Mill Quality Loose	2035	1865	170
	Surat	Mill Delivery	1720	1710	10
M.P.	Bhopal	Mill Quality Loose	1500	1500	Unch
	Indore	Mill Delivery	1600	1600	Unch
Rajasthan	Kota	Mill Quality Loose	1500	1500	Unch
		Mill Delivery	1600	1600	Unch
U.P.	Kanpur	Mill Delivery	1575	1575	Unch
	Mathura	Mill Quality Loose	1660	1630	30
	Kosi	Mill Quality Loose	1630	1645	-15
	Hathras	Mill Quality Loose	NA	NA	
	Aligarh	Mill Quality Loose	NA	Closed	
Punjab	Khanna	Mill Quality Loose	1580	1610	-30
	(Ludhiana)Jagraon	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1600	1610	-10
	Hodal	Mill Delivery	1705	1705	Unch
	Karnal	Mill Delivery	NA	NA	
	Bhiwani	Mill Quality Loose	1625	1625	Unch
	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	1630	1620	10
	Khagariya	Mill Delivery	1700	1825	-125

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

Centre	Market	Variety	Prices (Rs/Qtl)		Change
Gujarat			3-Mar-16	02-Mar-16	
	Rajkot	Lokwan	1800	1800	Unch
	Dhrol	Lokwan	1820	2140	-320
M.P.	Indore	Lokwan	1900	1900	Unch
	Bhopal	Lokwan	1650	1700	-50
	Bina	Sarbati 306	2200	Closed	-
Rajasthan	Kota	LokwanBilty	1700	1700	Unch
	Baran	Lokwan	NR	NR	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			3-Mar-16	02-Mar-16	
	Lawrence Road	Mill Delivery	NA	NA	-
	Narella	Mill Quality Loose	600	Closed	-
	Nazafgarh	Mill Quality Loose	60	Closed	-
Gujarat	Rajkot	Mill Quality Loose	1500	1500	Unch
	Dhrol	Mill Quality Loose	2	8	-6
M.P.	Indore	Mill Quality Loose	8000	8000	Unch
Rajasthan	Kota	Mill Quality	4000	4000	Unch
U.P.	Kanpur	Mill Quality Loose	400	400	Unch
	Mathura	Mill Quality Loose	50	20	30
	Kosi	Mill Quality Loose	300	400	-100
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	NA	Closed	-
Punjab	Khanna	Mill Quality Loose	150	200	-50
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	100	100	Unch
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	400	200	200

Wheat Products Delhi			3-Mar-16	2-Mar-16	Change
Atta (50kg) Ordinary			950	950	Unch
Maida Grade 1 (90kg)			NA	NA	-
Maida Grade 1 (50KG)			1260	1260	Unch
Suji (50kg)			1310	1310	Unch

Chokar (50 kg)	683	683	Unch
Chokar (34 kg)	483	483	Unch
Chakki Atta (50kg)	950	950	Unch
Chakki Atta (50kg) Special	1000	1000	Unch
Chakki Atta (90kg) Superfine	1892	1892	Unch
Chakki Atta (50kg) Superfine	1010	1010	Unch

Wheat (CBOT) Future Price: 02.3.2016					
Contract Month	Open	High	Low	Close	Change
16-Mar	438.00	443.50	437.50	443.00	5.50
16-May	450.00	456.00	447.25	455.00	5.50
16-Jul	460.00	465.75	457.25	464.75	5.50
16-Sep	472.75	479.00	471.00	478.25	5.25
16-Dec	494.75	499.00	491.75	498.50	5.25
17-Mar	507.50	512.50	505.25	512.00	5.25

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