

**Wheat Domestic Fundamentals:**

**Import tax (25%) on wheat is likely continue despite losses in wheat crop.** Wheat from new crop would be available by first week of April in bulk. After consulting the food, farm and trade ministries, the finance ministry now looks likely to extend the duty until September. Trading activities would remain sluggish due to March closing.

**As per the latest update by Agriculture Minister Radha Mohan Singh** after ASSOCHAM forecast (14 % lower production than 93 MMT) India Would produce at least 92 MMT wheat this year despite some loss due to rains and hailstorm. In February the Agriculture ministry expects India's 2016 wheat output at 93.82 million tonnes. India had produced 86.53 MMT last year. Next two to three weeks are very crucial from weather and crop size point of view.

**New wheat is ruling around Rs 1475 to Rs 1500 per qtl. in loose.** Faq variety in mandi is being traded at Rs 1510 to Rs 1550 per qtl. Price may recover from this level with the commencement of govt.'s procurement at Rs 1525 per qtl. and likely rains that may delay harvesting activities.

**All India wheat ave price decreases by 1.84 % from Rs 1682.34 to Rs 1651.2 per qtl.** during the week ended 15th March-2016. Wheat prices declined by 4.82 % during last two weeks. It is lower by 5.74 % from the average price registered in Mid March-2015. Major decline was seen in States like Karnataka, Kerala, Maharashtra and Orissa

**Despite disparity India exported 570.8 tonne wheat during week ended 6<sup>th</sup> Mar-2016** against 772 tonne previous week ending 28<sup>th</sup>. It has been exported at an ave FoB of \$285.02 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. There is no import last week.

**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 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 15.38 to 13.96 MMT, the lowest in seven years.

**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.

**Egypt buys 1.2 lakh tonne wheat from France, 60,000 T from Romania and 60,000 T from Ukraine** through tender at \$188.27 on CiF basis. Seller was casillo. FoB quote for this wheat was \$178.87 per tonne. Amepora and Dreyfus sold Romanian and Ukrariuan (60,000 each) wheat at \$188.77 and \$189.93 per T on CiF basis. FoB quote for this wheat were \$183 & \$180 per tonne. Wheat would be delivered in mid April-2016.

**Domestic market Outlook:** Wheat cash market is likely trade steady to slightly weak.

Wheat Futures Contact: NCDEX Price							Date: 22.03.2016		
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
16-Apr	2.00	1561.00	1565.00	1560.00	1564.00	290	20	2800	430
16-May	4.00	1562.00	1568.00	1561.00	1567.00	90	-70	1130	10
16-June	0.00	00.00	00.00	00.00	00.00	160	-80	0	0

Spread	Apr-16	May-16	Jun-16	
Spot Narela				
16-Apr	86			
16-May		-3		
16-May				

Stocks	Demat	In- Process	Total	FED
	21-Mar-16	21-Mar-16	21-Mar-16	21-Mar-16
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	150	0	150	150
Rajkot	-	-	-	-

**Wheat Daily Prices and Arrivals on 22.03.2016**

	Market	Variety	Prices (Rs/Qtl)		Change
			22-Mar-16	21-Mar-16	
Delhi	Lawrence Road	Mill Delivery	1715	1730	-15
	Narella	Mill Quality Loose	1650	1660	-10
	Nazafgarh	Mill Quality Loose	NR	NR	-
Gujarat	Rajkot	Mill Delivery	1600	1600	Unch
	Ahmedabad	Mill Delivery	1650	1660	-10
	Dhrol	Mill Quality Loose	1645	1730	-85
	Surat	Mill Delivery	1690	1690	Unch
M.P.	Bhopal	Mill Quality Loose	1500	1500	Unch
	Indore	Mill Delivery	1650	1650	Unch
Rajasthan	Kota	Mill Quality Loose	NR	1500	-
		Mill Delivery	NR	1580	-
U.P.	Kanpur	Mill Delivery	1580	1580	Unch
	Mathura	Mill Quality Loose	1625	1625	Unch
	Kosi	Mill Quality Loose	1520	1600	-80
	Hathras	Mill Quality Loose	1700	1750	-50
	Aligarh	Mill Quality Loose	NA	1800	-
Punjab	Khanna	Mill Quality Loose	1525	1525	Unch
	(Ludhiana)Jagraon	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1560	1560	Unch
	Hodal	Mill Delivery	1705	1705	Unch
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1585	1600	-15
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	NR	1800	-
	Madurai	Mill Quality	NR	1857	-
	Coimbatore	Mill Quality	NR	1857	-
Bihar	Sitamari	Mill Delivery	Closed	Closed	-
	Khagariya	Mill Delivery	1700	1700	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
			22-Mar-16	21-Mar-16	
<b>Gujarat</b>					
	Rajkot	Lokwan	1800	1800	Unch
	Dhrol	Lokwan	1855	2005	-150
<b>M.P.</b>	Indore	Lokwan	1800	1900	-100
	Bhopal	Lokwan	1650	1700	-50
	Bina	Sarbati 306	2500	2500	Unch
<b>Rajasthan</b>	Kota	LokwanBilty	NR	1650	-
	Baran	Lokwan	1570	NR	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			22-Mar-16	21-Mar-16	
<b>Delhi</b>					
	Lawrence Road	Mill Delivery	NA	NA	-
	Narella	Mill Quality Loose	300	200	100
	Nazafgarh	Mill Quality Loose	NR	NR	-
<b>Gujarat</b>	Rajkot	Mill Quality Loose	6000	10000	-4000
	Dhrol	Mill Quality Loose	14	32	-18
<b>M.P.</b>	Indore	Mill Quality Loose	7000	3500	3500
<b>Rajasthan</b>	Kota	Mill Quality	NR	15000	-
<b>U.P.</b>	Kanpur	Mill Quality Loose	400	400	Unch
	Mathura	Mill Quality Loose	250	300	-50
	Kosi	Mill Quality Loose	300	300	Unch
	Hathras	Mill Quality Loose	150	150	Unch
	Aligarh	Mill Quality Loose	NA	1600	-
<b>Punjab</b>	Khanna	Mill Quality Loose	400	300	100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Quality Loose	50	100	-50
	Hodal	Mill Quality Loose	500	200	300
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	200	400	-200

Wheat Products Delhi			22-Mar-16	21-Mar-16	Change
Atta (50kg) Ordinary			925	950	-25
Maida Grade 1 (90kg)			NA	NA	-
Maida Grade 1 (50KG)			1260	1260	Unch
Suji (50kg)			1310	1310	Unch

Chokar (50 kg)	703	703	Unch
Chokar (34 kg)	469	469	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: 21.3.2016					
Contract Month	Open	High	Low	Close	Change
16-May	468.75	472.00	463.75	466.50	3.50
16-Jul	475.75	479.00	471.00	473.50	3.25
16-Sep	485.25	488.25	480.75	483.50	3.50
16-Dec	500.00	502.00	494.75	497.25	3.25
17-Mar	509.50	515.00	509.50	510.00	2.50
17-May	519.25	523.25	518.00	518.25	2.00

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