

Wheat Domestic Fundamentals:

Wheat cash markets trades under pressure with increasing pace of harvesting in Madhya Pradesh, Rajasthan and Gujarat..Besides, harvesting in Punjab and Haryana is expected from first week of April. If weather remains favorable, supply in the open market is bound to increase in coming weeks. Prices in cash markets started declining taking clue from weak futures. Price would stabilize near MSP as procurement would commence soon. This year private trade intends to buy higher quantity as they fear short in production.

Wheat procurement is set to commence on 1st, April in Punjab and Haryana. However, states are still waiting for the sanction of the cash credit limit (CCR) of Rs20,093crore by the Centre. All other arrangements have been completed. Haryana may procure 75 lakh tonne. Punjab may produce 168 lakh tonne wheat.

Despite disparity India exported 541.56 tonne wheat during week ended 20thMar-2016 against 1269.68 tonne previous week ending 13th..It has been exported at an aveFoB of \$358.33 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.

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.

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, inspite 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:

Egypt has made an agreement to purchase 60,000 tonnes of wheat from France at \$189.2 per tonne, a higher price than the \$185.4 per tonne that was agreed to last month. Egypt will begin receiving the supply of grain on 25 April and it will last for 10 days.

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 may cross 20MMT this year thanks to weak rouble and ample domestic supply. In local market Russian FoB prices decreases to \$177 per tonne.

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

Wheat Futures Contact: NCDEX Price							Date: 29.03.2016		
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
16-Apr	0.00	1548.00	1553.00	1542.00	1551.00	750	310	3720	320
16-May	-3.00	1565.00	1569.00	1557.00	1566.00	1030	640	1770	120
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	131			
16-May		15		
16-May				

Stocks	Demat	In- Process	Total	FED
	28-Mar-16	28-Mar-16	28-Mar-16	28-Mar-16
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	150	0	150	150
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 29.03.2016

	Market	Variety	Prices (Rs/Qtl)		Change
			29-Mar-16	28-Mar-16	
Delhi	Lawrence Road	Mill Delivery	1630	1650	-20
	Narella	Mill Quality Loose	1620	1625	-5
	Nazafgarh	Mill Quality Loose	1540	1500	40
Gujarat	Rajkot	Mill Delivery	Closed	Closed	-
	Ahmedabad	Mill Delivery	Closed	Closed	-
	Dhrol	Mill Quality Loose	NR	NR	-
	Surat	Mill Delivery	Closed	Closed	-
M.P.	Bhopal	Mill Quality Loose	Closed	Closed	-
	Indore	Mill Delivery	1590	Closed	-
Rajasthan	Kota	Mill Quality Loose	1450	1450	Unch
		Mill Delivery	1550	1550	Unch
U.P.	Kanpur	Mill Delivery	1580	1580	Unch
	Mathura	Mill Quality Loose	1545	1550	-5
	Kosi	Mill Quality Loose	1460	1470	-10
	Hathras	Mill Quality Loose	1450	1450	Unch
	Aligarh	Mill Quality Loose	1620	1750	-130
Punjab	Khanna	Mill Quality Loose	1525	1525	Unch
	(Ludhiana)Jagraon	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1550	1550	Unch
	Hodal	Mill Delivery	1600	1650	-50
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1550	NR	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1825	1825	Unch
	Madurai	Mill Quality	1882	1882	Unch
	Coimbatore	Mill Quality	1882	1882	Unch
Bihar	Sitamari	Mill Delivery	1645	1640	5
	Khagariya	Mill Delivery	1750	1750	Unch

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

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			29-Mar-16	28-Mar-16	
Gujarat					
	Rajkot	Lokwan	Closed	Closed	-
	Dhrol	Lokwan	NR	NR	-
M.P.	Indore	Lokwan	1800	Closed	-
	Bhopal	Lokwan	Closed	Closed	-
	Bina	Sarbati 306	Closed	Closed	-
Rajasthan	Kota	LokwanBilty	1700	1700	Unch
	Baran	Lokwan	Closed	1530	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			29-Mar-16	28-Mar-16	
Delhi					
	Lawrence Road	Mill Delivery	3000	2000	1000
	Narella	Mill Quality Loose	200	150	50
	Nazafgarh	Mill Quality Loose	400	200	200
Gujarat	Rajkot	Mill Quality Loose	Closed	Closed	-
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Quality Loose	4000	Closed	-
Rajasthan	Kota	Mill Quality	60000	100000	-40000
U.P.	Kanpur	Mill Quality Loose	400	500	-100
	Mathura	Mill Quality Loose	3000	4000	-1000
	Kosi	Mill Quality Loose	3000	4000	-1000
	Hathras	Mill Quality Loose	50	150	-100
	Aligarh	Mill Quality Loose	1900	1400	500
Punjab	Khanna	Mill Quality Loose	300	400	-100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	50	100	-50
	Hodal	Mill Quality Loose	2000	2000	Unch
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	500	NR	-

Wheat Products Delhi			29-Mar-16	28-Mar-16	Change
Atta (50kg) Ordinary			925	925	Unch
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: 28.3.2016					
Contract Month	Open	High	Low	Close	Change
16-May	465.75	477.25	463.50	471.00	8.00
16-Jul	472.75	484.50	471.50	478.00	7.25
16-Sep	482.75	493.75	482.00	488.00	7.25
16-Dec	497.25	508.00	496.25	502.00	6.75
17-Mar	510.75	520.25	509.50	515.50	6.75
17-May	517.75	525.00	517.75	523.75	6.50

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