

Wheat Domestic Fundamentals:

Cash and futures wheat markets are bound to decline as harvesting picks up in UP, Bihar, Punjab and Haryana. Crop is normal and higher arrival would depress markets. Pressure in these states may be felt by the end of April.

FCI is set to procure 20 % of the total wheat that arrives in the mandis of Punjab in these states. It is looking at procuring 22 lakh metric tonnes (LMT) of wheat from Punjab during April to June-2016. This year, if the weather remains favorable, Punjab may harvest over 160 LMT wheat. Of this, 120 LMT wheat is expected to arrive in the mandis of the state. State procurement agencies will be procuring around 88 LMT.

India extends currently applicable 25 percent import duty on wheat till June, to curb imports as domestic production is estimated to rise by over 8 percent to 93.82MMT this year. India had produced 86.53 MMT last year, despite deficient monsoon. In a notification dated March 28, the Central Board of Excise and Customs said that 25 percent duty on import of wheat will continue beyond March 31, up to June 30, 2016. Ample stock and the commencement of new arrival encouraged govt to extend duty on wheat by another three months.

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.

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 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 decrease to \$177 per tonne.

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

Wheat Futures Contact: NCDEX Price							Date:01.04.2016		
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
16-Apr	15.00	1569.00	1582.00	1565.00	1580.00	800	680	3270	-275
16-May	2.00	1594.00	1605.00	1592.00	1595.00	1120	-325	3760	310
16-June	00.00	-	-	-	-	-	-	-	-

Spread	Apr-16	May-16	Jun-16	
Spot Narela				
16-Apr	20			
16-May		15		
16-May			-	

Stocks	Demat	In- Process	Total	FED
	31-Mar-16	31-Mar-16	31-Mar-16	28-Mar-16
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	249	50	299	150
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 1.04.2016

	Market	Variety	Prices (Rs/Qtl)		Change
			1-Apr-16	31-Mar-16	
Delhi	Lawrence Road	Mill Delivery	1650	1650	Unch
	Narella	Mill Quality Loose	NR	1600	-
	Nazafgarh	Mill Quality Loose	1550	1525	25
Gujarat	Rajkot	Mill Delivery	1600	Closed	-
	Ahmedabad	Mill Delivery	1625	Closed	-
	Dhrol	Mill Quality Loose	NR	NR	-
	Surat	Mill Delivery	1640	Closed	-
M.P.	Bhopal	Mill Quality Loose	Closed	Closed	-
	Indore	Mill Delivery	1590	1580	10
Rajasthan	Kota	Mill Quality Loose	1485	1485	Unch
		Mill Delivery	1575	1575	Unch
U.P.	Kanpur	Mill Delivery	1590	1590	Unch
	Mathura	Mill Quality Loose	1465	1465	Unch
	Kosi	Mill Quality Loose	1460	1435	25
	Hathras	Mill Quality Loose	1400	1410	-10
	Aligarh	Mill Quality Loose	1550	1450	100
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	1600	Unch
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1575	1575	Unch
	Panipat	Mill Quality Loose	1525	NA	-
Tamil Nadu	Chennai	Mill Quality	1865	1865	Unch
	Madurai	Mill Quality	1922	1922	Unch
	Coimbatore	Mill Quality	1922	1922	Unch
Bihar	Sitamari	Mill Delivery	NR	NR	-
	Khagariya	Mill Delivery	1550	1550	Unch

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

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			1-Apr-16	31-Mar-16	
Gujarat	Rajkot	Lokwan	1850	Closed	-
	Dhrol	Lokwan	NR	NR	-
M.P.	Indore	Lokwan	1900	1900	Unch
	Bhopal	Lokwan	Closed	Closed	-
	Bina	Sarbati 306	Closed	Closed	-
Rajasthan	Kota	LokwanBilty	1665	1665	Unch
	Baran	Lokwan	1560	Closed	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			1-Apr-16	31-Mar-16	
Delhi	Lawrence Road	Mill Delivery	3000	7000	-4000
	Narella	Mill Quality Loose	NR	150	-
	Nazafgarh	Mill Quality Loose	1000	1000	Unch
Gujarat	Rajkot	Mill Quality Loose	15000	Closed	-
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Quality Loose	3000	4000	-1000
Rajasthan	Kota	Mill Quality	40000	40000	Unch
U.P.	Kanpur	Mill Quality Loose	400	500	-100
	Mathura	Mill Quality Loose	8000	4000	4000
	Kosi	Mill Quality Loose	10000	3500	6500
	Hathras	Mill Quality Loose	300	550	-250
	Aligarh	Mill Quality Loose	2500	500	2000
Punjab	Khanna	Mill Quality Loose	500	500	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	100	50	50
	Hodal	Mill Quality Loose	2000	2000	Unch
	Karnal	Mill Delivery	30	NA	-
	Bhiwani	Mill Quality Loose	300	300	Unch

Wheat Products Delhi			1-Apr-16	31-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: 31.3.2016					
Contract Month	Open	High	Low	Close	Change
16-May	464.00	475.00	455.25	473.50	9.50
16-Jul	471.25	482.25	462.75	480.75	9.25
16-Sep	481.50	491.50	472.50	490.25	8.75
16-Dec	496.00	505.50	487.00	504.00	8.00
17-Mar	510.25	518.00	501.00	517.25	7.50
17-May	515.25	525.50	512.50	525.50	7.00

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