

Wheat Domestic Fundamentals:

Odisha Traders Association has called off strike on VAT issue after getting assurance from state govt. Now they will buy essential food items from other states like past month. The traders were on strike on April 1 to protest against the five percent Value Addition Tax (VAT) levied by the Odisha government on the purchase of pulses, wheat and wheat products from other states. They have suspended their strike till 26 May-2016.

Wheat procurement starts in Uttar Pradesh region of Shahjahanpur District administration is trying to end the role of middle man this year in the region, so that farmers receive their money hassle free. Agriwatch expects procurement to pick up by mid April. till then moisture stress is expected to decrease to permissible level.

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 93.82 MMT 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.

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:

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 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.

Russian wheat export may cross 20 MMT 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: 04.04.2016		
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
16-Apr	2.00	1585.00	1596.00	1579.00	1580.00	900	100	3370	100
16-May	11.00	1585.00	1620.00	1600.00	1612.00	2480	1125	5410	2310
16-June	21.00	1604.00	1650.00	1630.00	1645.00	130	130	230	230

Spread	Apr-16	May-16	Jun-16	
Spot Narela				
16-Apr	40			
16-May		32		
16-May			27	

Stocks	Demat	In- Process	Total	FED
	02-Apr-16	02-Apr-16	02-Apr-16	28-Mar-16
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	299	99	398	150
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 04.04.2016

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			4-Apr-16	02-Apr-16	
Delhi	Lawrence Road	Mill Delivery	1600	1640	-40
	Narella	Mill Quality Loose	1540	1570	-30
	Nazafgarh	Mill Quality Loose	1535	1540	-5
Gujarat	Rajkot	Mill Delivery	1610	1600	10
	Ahmedabad	Mill Delivery	1620	1610	10
	Dhrol	Mill Quality Loose	NR	NR	-
	Surat	Mill Delivery	1660	1640	20
M.P.	Bhopal	Mill Quality Loose	1500	1500	Unch
	Indore	Mill Delivery	1620	1610	10
Rajasthan	Kota	Mill Quality Loose	1480	1485	-5
		Mill Delivery	1570	1575	-5
U.P.	Kanpur	Mill Delivery	1590	1590	Unch
	Mathura	Mill Quality Loose	1420	1460	-40
	Kosi	Mill Quality Loose	1430	1450	-20
	Hathras	Mill Quality Loose	NR	1430	-
	Aligarh	Mill Quality Loose	1540	1550	-10
Punjab	Khanna	Mill Quality Loose	1525	1525	Unch
	(Ludhiana)Jagraon	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1530	1550	-20
	Hodal	Mill Delivery	1600	1600	Unch
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1600	1570	30
	Panipat	Mill Quality Loose	1525	1520	5
Tamil Nadu	Chennai	Mill Quality	1800	1865	-65
	Madurai	Mill Quality	1857	1922	-65
	Coimbatore	Mill Quality	1857	1922	-65
Bihar	Sitamari	Mill Delivery	NR	Closed	-
	Khagariya	Mill Delivery	1500	1550	-50

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

Centre	Market	Variety	Prices (Rs/Qtl)		Change
Gujarat			4-Apr-16	2-Apr-16	
	Rajkot	Lokwan	1800	1800	Unch
	Dhrol	Lokwan	NR	NR	-
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1700	1600	100
	Bina	Sarbati 306	2500	2500	Unch
Rajasthan	Kota	LokwanBilty	1650	1665	-15
	Baran	Lokwan	1560	NR	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
Delhi			4-Apr-16	2-Apr-16	
	Lawrence Road	Mill Delivery	15000	4000	11000
	Narella	Mill Quality Loose	150	160	-10
	Nazafgarh	Mill Quality Loose	2000	1000	1000
Gujarat	Rajkot	Mill Quality Loose	12000	12000	Unch
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Quality Loose	4000	2000	2000
Rajasthan	Kota	Mill Quality	80000	50000	30000
U.P.	Kanpur	Mill Quality Loose	400	400	Unch
	Mathura	Mill Quality Loose	15000	7000	8000
	Kosi	Mill Quality Loose	25000	10000	15000
	Hathras	Mill Quality Loose	NR	50	-
	Aligarh	Mill Quality Loose	3100	3000	100
Punjab	Khanna	Mill Quality Loose	500	600	-100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	100	100
	Hodal	Mill Quality Loose	2000	2000	Unch
	Karnal	Mill Delivery	250	100	150
	Bhiwani	Mill Quality Loose	3000	4000	-1000
	Panipat	Mill Quality Loose	400	150	250

Wheat Products Delhi			4-Apr-16	2-Apr-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: 01.4.2016					
Contract Month	Open	High	Low	Close	Change
16-May	473.25	476.25	466.25	475.75	2.25
16-Jul	480.75	483.50	473.00	483.00	2.25
16-Sep	489.75	492.75	482.75	492.50	2.25
16-Dec	504.00	507.00	496.50	506.75	2.75
17-Mar	516.25	520.25	510.00	520.00	2.75
17-May	526.25	528.50	526.25	528.50	3.00

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