

Wheat Domestic Fundamentals:

The government has revised its target down to sell wheat from its stock under OMSS to 6.5-7.5 million tonnes for 2016-17. It could not sell 10 MMT in open market last year set for 2014-15. Food corporation of India could sell 7.1 MMT last year under OMSS. The benchmark price for the sale of wheat to private bulk buyers and traders has been fixed at Rs 1,640 per quintal, higher than the minimum support price of Rs 1,525 per quintal for this year. The selling target will be reviewed in July.

Agriwatch has revised its wheat production estimate up by 1.54 MMT from 89.28 MMT to 90.82 MMT for 2016-17 MY starting from April-2016. The new season (2016-17) started with 145.38 lakh tonne wheat as carry out. If we include private carryout (1 MMT), it comes to 155.38 lakh tonne. The new season may end up with 15.2 MMT as carry out including private carryout also. Production estimate for Bihar, Gujarat and Eastern Uttar Pradesh has been reduced by 20 to 30 percent due to thinner grain size this year. In other state crop is almost normal.

Wheat procurement is running smooth and it is higher by 10 % to 208.11 lakh tonne from last year till 2nd May 2016. Total wheat procurement has touched 208.11 lakh tonne till 2nd May 2016 against 189.27 lakh tonne on 2nd May 2015. Punjab has procured 98.94 lakh tonne, Haryana has contributed 64.64 lakh tonne. MP stands third by procuring 36.05 lakh tonne. Rajasthan has procured 4.81 lakh tonne. Uttar Pradesh stand fifth by procuring 3.58 lakh tonne so far.

India exported 1759.2 tonne wheat during week ended 24th April-2016 against 7720.6 tonne during week ending 16th April. Wheat has been exported at an average FoB of \$291.98 per tonne. Major buyers of the Indian wheat are UAE, Taiwan, UK, Nepal, Bahrain and Kuwait. 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.

International Market Update:

According to USDA weekly crop progress report for US, 50 percent of the winter wheat crop is in good condition as of now and there has been an increase of 15 percent as compared to 2015. Whereas the percentage of crop in poor condition is 7 percent in 24/4/2016 as compared to 6 percent in 24/4/2015. Overall crop condition is better for this year as compared to last year and we expect higher yield in marketing year 2016-17 which is likely to arrive in the month of June.

As per latest update by US department of agriculture winter crop condition is better than normal market expectation so far. It hints ample supply from winter crop once again. Its immediate impact has been seen on CBOT wheat futures which slips considerably. The USDA pegs winter wheat at 61 percent good-to-excellent, ahead of market expectations of 60 percent. Soybean plantings were 8 percent complete, matching analyst expectations.

Domestic market Outlook: Wheat cash market is likely trade range bound.

Wheat Futures Contact: NCDEX Price								Date: 03.05.2016	
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
16-May	-1	1626	1627	1621	1621	2580	810	8860	-1380
16-June	-7	1655	1655	1647	1647	860	200	6660	10
16-July	24	1683	1684	1678	1678	170	30	1290	40

Spread	May-16	Jun-16	July-16	
Spot Narella				
16-May	-41			
16-June		26		
16-July			31	

Stocks	Demat	In- Process	Total	FED
	02.May.16	02.May.16	02.May.16	02.May.16
Delhi	2455	0	2455	2455
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	12562	883	13445	12562
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 03.5.2016

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			3-May-16	02-May-16	
Delhi	Lawrence Road	Mill Delivery	1630	1630	Unch
	Narella	Mill Quality Loose	1580	1580	Unch
	Nazafgarh	Mill Quality Loose	1575	1550	25
	Rajkot	Mill Delivery	1590	1600	-10
Gujarat	Ahmedabad	Mill Delivery	1700	1670	30
	Dhrol	Mill Quality Loose	2050	1915	135
	Surat	Mill Delivery	1725	1705	20
	Bhopal	Mill Quality Loose	1540	1550	-10
M.P.	Indore	Mill Delivery	1685	1700	-15
	Kota	Mill Quality Loose	1570	1570	Unch
Rajasthan	Kota	Mill Delivery	1650	1650	Unch
	Kanpur	Mill Delivery	1615	1615	Unch
U.P.	Mathura	Mill Quality Loose	1525	1525	Unch
	Kosi	Mill Quality Loose	1480	1480	Unch
	Hathras	Mill Quality Loose	NR	1480	-
	Aligarh	Mill Quality Loose	1480	1480	Unch
	Khanna	Mill Quality Loose	1525	1525	Unch
Punjab	(Ludhiana)Jagraon	Mill Delivery	1635	1650	-15
	Sirsa	Mill Delivery loose	1525	1525	Unch
Haryana	Hodal	Mill Delivery	1600	1600	Unch
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1550	1550	Unch
	Panipat	Mill Quality Loose	1525	1525	Unch
	Chennai	Mill Quality	1900	1900	Unch
Tamil Nadu	Madurai	Mill Quality	1957	1957	Unch
	Coimbatore	Mill Quality	1957	1957	Unch
Bihar	Sitamari	Mill Delivery	1425	1410	15

	Khagariya	Mill Delivery	1570	1550	20
FOR	Kandla(Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham(Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			3-May-16	2-May-16	
Gujarat					
	Rajkot	Lokwan	1800	1800	Unch
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1900	1900	Unch
	Bina	Sarbati 306	NR	NR	-
Rajasthan	Kota	LokwanBilty	1800	1800	Unch
	Baran	Lokwan	1700	1700	Unch

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			3-May-16	2-May-16	
Delhi					
	Lawrence Road	Mill Delivery	8000	7000	1000
	Narella	Mill Quality Loose	1200	1500	-300
	Nazafgarh	Mill Quality Loose	1000	500	500
Gujarat	Rajkot	Mill Quality Loose	2000	2000	Unch
	Dhrol	Mill Quality Loose	85	34	51
M.P.	Indore	Mill Quality Loose	2000	1500	500
Rajasthan	Kota	Mill Quality	30000	25000	5000
U.P.	Kanpur	Mill Quality Loose	500	400	100
	Mathura	Mill Quality Loose	4000	3000	1000
	Kosi	Mill Quality Loose	5000	7000	-2000
	Hathras	Mill Quality Loose	NR	2500	-
	Aligarh	Mill Quality Loose	3000	4000	-1000
Punjab	Khanna	Mill Quality Loose	10000	5000	5000
	(Ludhiana)Jagraon	Mill Quality Loose	2000	2000	Unch
Haryana	Sirsa	Mill Quality Loose	2000	3000	-1000
	Hodal	Mill Quality Loose	500	500	Unch
	Karnal	Mill Delivery	2000	3000	-1000
	Bhiwani	Mill Quality Loose	2500	2000	500
	Panipat	Mill Quality Loose	1000	1000	Unch

Wheat Products Delhi			3-May-16	2-May-16	Change
Atta (50kg) Ordinary			890	890	Unch
Maida Grade 1 (90kg)			NA	NA	-
Maida Grade 1 (50KG)			1260	1260	Unch



Suji (50kg)	1310	1310	Unch
Chokar (50 kg)	718	718	Unch
Chokar (34 kg)	474	474	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: 02.5.2016					
Contract Month	Open	High	Low	Close	Change
16-May	476.0	479.00	471.75	477.00	-1.00
16-Jul	486.8	490.00	481.25	487.75	-0.75
16-Sep	496.0	499.50	491.50	498.50	0.25
16-Dec	514.0	517.00	509.50	516.75	0.75
17-Mar	532.5	534.00	527.25	534.00	1.00
17-May	543.0	544.25	537.00	544.00	0.75

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