

### Wheat Domestic Fundamentals:

**Wheat cash market traded mixed taking clue from weak futures.** Wheat may trade stable to slightly firm in the short term as private buyers remain active. Arrival pressure has declined in central and north India.

**India exported 1095.49tonne wheat during week ended 1st May-2016** against 1778 tonne during week ending 24th April. Wheat has been exported at an average FoB of \$297.54 per tonne. Major buyers of the Indian wheat are UAE, Taiwan, UK, Nepal, Bahrain and Kuwait. There is no import last week. Sentiments in cash market remain weak as supply side is higher than normal demand. Private trades/stockiests have fulfilled their 50 percent requirement so far.

**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.

**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:

**IGC revised wheat production projection estimate up by 4MMT to 717 MMT** in end April-16 for crop year 2016-17. According to IGC global wheat production for 2015-16 was registered at 732 MMT. Projection for 2016-17 is quite lower from actual production of last year. The difference is around 15 MMT. Lower projection for wheat may lend support to global wheat market at current level and any major dip from current level is unlikely.

**According to latest report, Russian wheat export** reached 21.3 mmt since 1<sup>st</sup> July 2015 as greater demand is supporting the export. At present Black sea mill wheat with 12.5% protein for April shipment is offered at US \$184 per tonne (FOB)

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

<b>Wheat Futures Contract: NCDEX Price</b>							<b>Date: 05.05.2016</b>		
<b>Contract Month</b>	<b>Ch from previous day</b>	<b>Open</b>	<b>High</b>	<b>Low</b>	<b>Close</b>	<b>Vol</b>	<b>Ch. From previous day</b>	<b>OI</b>	<b>Ch. From previous day</b>
<b>16-May</b>	-6	1613	1614	1610	1610	2580	810	8860	-1380
<b>16-June</b>	-5	1643	1643	1639	1639	860	200	6660	10
<b>16-July</b>	4	1667	1673	1667	1673	170	30	1290	40

Spread	May-16	Jun-16	July-16	
Spot Narella				
16-May	30			
16-June		29	32	
16-July				

Stocks	Demat	In- Process	Total	FED
	<b>04.May.16</b>	<b>04.May.16</b>	<b>04.May.16</b>	<b>02.May.16</b>
<b>Delhi</b>	2535	0	2535	2455
<b>Itarsi</b>	-	-	-	-
<b>Kanpur</b>	-	-	-	-
<b>Kota</b>	12907	1331	14238	12562
<b>Rajkot</b>	-	-	-	-

**Wheat Daily Prices and Arrivals on 05.5.2016**

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			5-May-16	04-May-16	
<b>Delhi</b>	Lawrence Road	Mill Delivery	1630	1630	Unch
	Narella	Mill Quality Loose	1580	Closed	-
	Nazafgarh	Mill Quality Loose	1575	Closed	-
	Rajkot	Mill Delivery	1600	1590	10
<b>Gujarat</b>	Ahmedabad	Mill Delivery	1700	1700	Unch
	Dhrol	Mill Quality Loose	2100	1880	220
	Surat	Mill Delivery	1730	1725	5
	Bhopal	Mill Quality Loose	1525	1540	-15
<b>M.P.</b>	Indore	Mill Delivery	1675	1685	-10
	Kota	Mill Quality Loose	1580	1575	5
<b>Rajasthan</b>		Mill Delivery	1650	1650	Unch
	Kanpur	Mill Delivery	1615	1615	Unch
<b>U.P.</b>	Mathura	Mill Quality Loose	1522	1525	-3
	Kosi	Mill Quality Loose	1480	1480	Unch
	Hathras	Mill Quality Loose	1485	1485	Unch
	Aligarh	Mill Quality Loose	1490	Closed	-
	Khanna	Mill Quality Loose	1525	1525	Unch
<b>Punjab</b>	(Ludhiana)Jagraon	Mill Delivery	1635	1635	Unch
	Sirsa	Mill Delivery loose	1525	1525	Unch
<b>Haryana</b>	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
<b>Tamil Nadu</b>	Madurai	Mill Quality	1957	1957	Unch
	Coimbatore	Mill Quality	1957	1957	Unch
	Sitamari	Mill Delivery	1420	1425	-5
<b>Bihar</b>					

	Khagariya	Mill Delivery	1550	1580	-30
FOR	Kandla(Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham(Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			5-May-16	4-May-16	
Gujarat					
	Rajkot	Lokwan	1800	1800	Unch
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1850	1900	-50
	Bina	Sarbati 306	NR	Closed	-
Rajasthan	Kota	LokwanBilty	1800	1800	Unch
	Baran	Lokwan	1670	1670	Unch

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			5-May-16	4-May-16	
Delhi					
	Lawrence Road	Mill Delivery	12000	10000	2000
	Narella	Mill Quality Loose	2000	Closed	-
	Nazafgarh	Mill Quality Loose	500	Closed	-
Gujarat	Rajkot	Mill Quality Loose	2500	2500	Unch
	Dhrol	Mill Quality Loose	68	165	-97
M.P.	Indore	Mill Quality Loose	3000	2000	1000
Rajasthan	Kota	Mill Quality	20000	25000	-5000
U.P.	Kanpur	Mill Quality Loose	500	400	100
	Mathura	Mill Quality Loose	4000	6000	-2000
	Kosi	Mill Quality Loose	3500	5000	-1500
	Hathras	Mill Quality Loose	2300	2300	Unch
	Aligarh	Mill Quality Loose	2000	Closed	-
Punjab	Khanna	Mill Quality Loose	8000	10000	-2000
	(Ludhiana)Jagraon	Mill Quality Loose	1000	2000	-1000
Haryana	Sirsa	Mill Quality Loose	2000	2000	Unch
	Hodal	Mill Quality Loose	300	300	Unch
	Karnal	Mill Delivery	5000	1500	3500
	Bhiwani	Mill Quality Loose	2500	2000	500
	Panipat	Mill Quality Loose	1000	1125	-125

Wheat Products Delhi			5-May-16	4-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)	480	474	6
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: 04.5.2016					
Contract Month	Open	High	Low	Close	Change
16-May	460.8	465.25	460.00	460.50	0.75
16-Jul	470.8	476.50	468.75	471.25	0.50
16-Sep	481.3	486.50	479.75	481.50	0.25
16-Dec	498.8	504.25	497.75	498.75	unch
17-Mar	516.8	521.00	514.50	515.25	-0.25
17-May	525.8	529.75	524.50	525.00	-0.75

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