

### Wheat Domestic Fundamentals:

**Agricultural Statistics Division, Directorate of Economics & Statistics (DES)** has released Third Adv. Estimate for Rabi crop for 2015-16 on 9th May, 2016. Production target for wheat in Rabi had been set at 94.75 lakh tonne. Now in Third Adv. estimate wheat production for 2015-16 has been revised up from 93.82 lakh tonne to 94.08MMT. Notably, India has produced 86.53 million tonne wheat in 2014-15.

**All India average wheat price decreased by 3.43 % from Rs1777.04 to Rs1716** per qtl. during the week ended 6th May-2016. Despite lower arrivals and active participation by private trades cash market decreased on the back of ample supply and stock in north and central India. When we compare all India average price from May, 2015, it is lower by 5.12 % average. In May, 2015 average price was registered at 1665.72 per qtl. Any major dip from current level is unlikely as yield of wheat in Bihar, Uttar Pradesh has declined considerably.

**Govt. has reduced wheat procurement target for 2016-17 to 28MMT and it may be revised further down to 25MMT** as cash market price is ruling higher from MSP. Govt agencies have procured 217.51 tonne wheat till 6th May-2016. Some difficulty may be faced in M.P. Uttar Pradesh and Rajasthan as private trade would remain active and may offer slightly higher price to farmers in anticipation of lower crop size this year.

**India exported 1564.76 tonne wheat during week ended 8th May-2016** against 1095.49 tonne during week ending 2<sup>nd</sup> May-2016. Wheat has been exported at an average FoB of \$291.03 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.

**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 stands fifth by procuring 3.58 lakh tonne so far.

### 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 732MMT. 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). Russian production has been pegged at 62.5MMT.

**Domestic market Outlook:** Wheat cash market is likely to trade weak on the back of higher production estimate.

Wheat Futures Contact: NCDEX Price							Date: 10.05.2016		
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
16-May	-17	1620	1622	1604	1606	4120	2275	4690	-1980
16-June	-15	1654	1654	1633	1638	3750	2050	10390	2210
16-July	--17	1675	1675	1666	1666	540	310	1930	1930

Spread	May-16	Jun-16	July-16	
Spot Narella				
16-May	6			
16-June		32		
16-July			28	

Stocks	Demat	In- Process	Total	FED
	09.May.16	09.May.16	09.May.16	09.May.16
Delhi	2646	0	2646	2646
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	14606	910	15516	14606
Rajkot	-	-	-	-

**Wheat Daily Prices and Arrivals on 10.5.2016**

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			10-May-16	09-May-16	
Delhi	Lawrence Road	Mill Delivery	1650	1650	Unch
	Narella	Mill Quality Loose	1600	1600	Unch
	Nazafgarh	Mill Quality Loose	1600	1600	Unch
Gujarat	Rajkot	Mill Delivery	1625	1620	5
	Ahmedabad	Mill Delivery	1715	1710	5
	Dhrol	Mill Quality Loose	1700	NR	-
	Surat	Mill Delivery	1740	1735	5
M.P.	Bhopal	Mill Quality Loose	1550	Closed	-
	Indore	Mill Delivery	1650	Closed	-
Rajasthan	Kota	Mill Quality Loose	NR	Closed	-
		Mill Delivery	NR	Closed	-
U.P.	Kanpur	Mill Delivery	1610	1620	-10
	Mathura	Mill Quality Loose	1525	1535	-10
	Kosi	Mill Quality Loose	1490	1485	5
	Hathras	Mill Quality Loose	NR	1475	-
	Aligarh	Mill Quality Loose	1500	1500	Unch
Punjab	Khanna	Mill Quality Loose	1525	1525	Unch
	(Ludhiana)Jagraon	Mill Delivery	1620	1635	-15
Haryana	Sirsa	Mill Delivery loose	1525	1525	Unch
	Hodal	Mill Delivery	1600	1600	Unch
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1570	1550	20
	Panipat	Mill Quality Loose	1525	1525	Unch
Tamil Nadu	Chennai	Mill Quality	NR	Closed	-
	Madurai	Mill Quality	NR	Closed	-
	Coimbatore	Mill Quality	NR	Closed	-
Bihar	Sitamari	Mill Delivery	1425	Closed	-

	Khagariya	Mill Delivery	1600	1600	Unch
FOR	Kandla(Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham(Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			10-May-16	9-May-16	
Gujarat					
	Rajkot	Lokwan	1800	1800	Unch
M.P.	Indore	Lokwan	1900	Closed	-
	Bhopal	Lokwan	1800	Closed	-
	Bina	Sarbati 306	2750	Closed	-
Rajasthan	Kota	LokwanBilty	NR	Closed	-
	Baran	Lokwan	NA	Closed	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			10-May-16	9-May-16	
Delhi					
	Lawrence Road	Mill Delivery	8000	8000	Unch
	Narella	Mill Quality Loose	2000	2000	Unch
	Nazafgarh	Mill Quality Loose	500	200	300
Gujarat	Rajkot	Mill Quality Loose	1500	1600	-100
	Dhrol	Mill Quality Loose	61	NR	-
M.P.	Indore	Mill Quality Loose	1000	Closed	-
Rajasthan	Kota	Mill Quality	NR	Closed	-
U.P.	Kanpur	Mill Quality Loose	500	400	100
	Mathura	Mill Quality Loose	4000	2500	1500
	Kosi	Mill Quality Loose	4000	4000	Unch
	Hathras	Mill Quality Loose	NR	1200	-
	Aligarh	Mill Quality Loose	1000	900	100
Punjab	Khanna	Mill Quality Loose	6000	7000	-1000
	(Ludhiana)Jagraon	Mill Quality Loose	NA	1000	-
Haryana	Sirsa	Mill Quality Loose	3000	2000	1000
	Hodal	Mill Quality Loose	500	200	300
	Karnal	Mill Delivery	2000	2000	Unch
	Bhiwani	Mill Quality Loose	2000	2000	Unch
	Panipat	Mill Quality Loose	3110	1000	2110

Wheat Products Delhi			10-May-16	9-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)	489	489	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: 09.5.2016					
Contract Month	Open	High	Low	Close	Change
16-May	454.8	454.8	446.0	447.00	-6.25
16-Jul	463.8	467.0	454.8	456.50	-7.25
16-Sep	475.0	476.8	465.5	467.25	-7.25
16-Dec	491.3	494.8	484.0	485.75	-6.25
17-Mar	511.3	511.3	501.5	503.25	-6.00
17-May	520.0	520.0	511.0	512.50	-5.75

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