

### Wheat Domestic Fundamentals:

**The pace of wheat Procurement has slowed down due to decreased arrivals** and higher prevailing prices in domestic market. Indian procurement agencies have procured 224.81 lakh tonne till 13th, May-2016. Punjab and haryana have procured 106 & 67.68 lakh tonne so far. MP has contributed 6.78 lakh tonne while Rajasthan has procured 6.66 lakh tonne so far. State agencies had procured 247.25 lakh tonne last year till corresponding period. This year wheat procurement may end up with 25 MMT. Govt. has reduced wheat procurement target for 2016-17 to 28MMT and it maybe revised further down to 25MMT as cash market price is ruling higher from MSP.

**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 firm in the short to medium term as supply side is lower than normal demand.

**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 for 2015-16 crop year. Now in Third Adv. estimate wheat production estimate has been revised up from 93.82 lakh tonne to 94.04 MMT

**All India average price decreased by 3.43 % from Rs 1777.04 to Rs 1716 per qtl.** during last two-three days despite lower procurement, arrivals and active buying by private trades,. However, more decrease from current level is unlikely says market experts. There is a huge gap on production estimates between govt. and private trades.

**This year private trades have brought 20 to 25 % more wheat from last year** in anticipation of shortfall and it would limit offtake from OMSS in July and August. Higher offtake is now expected October onwards. If India receives higher than normal rainfall this year, it would help higher area coverage and ensure better production.

**There is a gossip in the market that farmers have retained more stock this year and they** would prefer to release it in lean season. It would help to limit firmness in the lean season, especially in the last quarter. Besides, govt has ample stock to take care of any unexpected rise in cash market.

**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.

### International Market Update:

**Russian wheat export prices rose slightly last week on high demand from** traders needing to fulfil previously signed deals. Black Sea prices for Russian wheat with 12.5 percent protein content were at \$192.5 a tonne on a free-on-board (FOB) basis at the end of last week, up \$1.50 from a week earlier. Russia exported 30.7 million tonnes of grains, including 22.3 million tonnes of wheat, between July 1 and May 4.

**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.

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

Wheat Futures Contact: NCDEX Price							Date: 13.05.2016		
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
16-May	6	1616	1622	1622	1622	180	-80	2770	480
16-June	3	1641	1649	1639	1649	1580	-160	12590	-210
16-July	2	1669	1680	1661	1679	540	385	2530	-230

Spread	May-16	Jun-16	July-16	
Spot Narella				
16-May	-37			
16-June		27		
16-July			29	

Stocks	Demat	In- Process	Total	FED
	12.May.16	12.May.16	12.May.16	09.May.16
Delhi	2646	0	2646	2646
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	15862	732	16594	14606
Rajkot	-	-	-	-

**Wheat Daily Prices and Arrivals on 13.5.2016**

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			13-May-16	12-May-16	
Delhi	Lawrence Road	Mill Delivery	1650	1650	Unch
	Narella	Mill Quality Loose	1585	1585	Unch
	Nazafgarh	Mill Quality Loose	1600	1600	Unch
Gujarat	Rajkot	Mill Delivery	1630	1630	Unch
	Ahmedabad	Mill Delivery	1720	1730	-10
	Dhrol	Mill Quality Loose	2010	1905	105
	Surat	Mill Delivery	1750	1750	Unch
M.P.	Bhopal	Mill Quality Loose	1550	1550	Unch
	Indore	Mill Delivery	1710	1695	15
Rajasthan	Kota	Mill Quality Loose	1570	1570	Unch
		Mill Delivery	1650	1650	Unch
U.P.	Kanpur	Mill Delivery	1615	1615	Unch
	Mathura	Mill Quality Loose	1540	1520	20
	Kosi	Mill Quality Loose	1500	1495	5
	Hathras	Mill Quality Loose	1525	1510	15
	Aligarh	Mill Quality Loose	1510	1520	-10
Punjab	Khanna	Mill Quality Loose	1525	1525	Unch
	(Ludhiana)Jagraon	Mill Delivery	1620	1620	Unch
Haryana	Sirsa	Mill Delivery loose	1525	1525	Unch
	Hodal	Mill Delivery	1640	1620	20
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1590	1570	20
	Panipat	Mill Quality Loose	1525	1525	Unch
Tamil Nadu	Chennai	Mill Quality	1900	1900	Unch
	Madurai	Mill Quality	1957	1957	Unch
	Coimbatore	Mill Quality	1957	1957	Unch
Bihar	Sitamari	Mill Delivery	1425	1425	Unch

	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
			13-May-16	12-May-16	
Gujarat					
	Rajkot	Lokwan	1850	1900	-50
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1800	1800	Unch
	Bina	Sarbati 306	2600	2750	-150
Rajasthan	Kota	LokwanBilty	1850	1850	Unch
	Baran	Lokwan	1675	1650	25

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			13-May-16	12-May-16	
Delhi					
	Lawrence Road	Mill Delivery	18000	20000	-2000
	Narella	Mill Quality Loose	2000	2500	-500
	Nazafgarh	Mill Quality Loose	300	400	-100
Gujarat	Rajkot	Mill Quality Loose	1500	1200	300
	Dhrol	Mill Quality Loose	90	77	13
M.P.	Indore	Mill Quality Loose	2000	2000	Unch
Rajasthan	Kota	Mill Quality	20000	20000	Unch
U.P.	Kanpur	Mill Quality Loose	400	400	Unch
	Mathura	Mill Quality Loose	2000	3000	-1000
	Kosi	Mill Quality Loose	3000	3000	Unch
	Hathras	Mill Quality Loose	500	850	-350
	Aligarh	Mill Quality Loose	1000	2000	-1000
Punjab	Khanna	Mill Quality Loose	3000	3000	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	2000	2000	Unch
	Hodal	Mill Quality Loose	200	200	Unch
	Karnal	Mill Delivery	1000	1500	-500
	Bhiwani	Mill Quality Loose	1500	1500	Unch
	Panipat	Mill Quality Loose	500	500	Unch

Wheat Products Delhi			13-May-16	12-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)	735	735	Unch
Chokar (34 kg)	490	490	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: 12.5.2016					
Contract Month	Open	High	Low	Close	Change
16-May	452.5	458.5	452.5	458.50	9.00
16-Jul	459.0	468.3	457.3	468.00	9.00
16-Sep	469.0	478.0	468.3	477.75	8.50
16-Dec	486.8	494.3	486.5	494.25	7.00
17-Mar	503.3	509.3	503.3	509.25	6.25
17-May	513.5	519.0	513.5	519.00	6.00

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