

### Wheat Domestic Fundamentals:

**All India average wheat price increased by 2.51 % from Rs1706.04 to Rs1749 per qtl.** during the week ended 12th May-2016. Active private participation and decreased arrival in north and central India has lent support to cash market fundamental.. When we compare all India average price from May,2015, it is lower by 4.10 % on month average basis. In May,2015 average price was registered at 1680.4 per qtl. Overall trend in cash market is expected to remain firm despite higher production estimate(94.02MMT) in 3rd Adv. estimates released on 9th May-2016.

**Indian millers based in south India have struck a deal of 50,000 French wheat** at \$203 per tonne on CiF basis scheduled to be delivered in July-2016. Around 7 lakh tonne wheat import deal has been finalized for forward months. Millers hope govt would revise wheat duty down from 25% to 10 % in July-2016. Around 50,000 T. Australian wheat too has been brought for August delivery at \$275 per T on CiF basis.

**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 28 MMT and it maybe revised further down to 25 MMT 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

**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 732 MMT. 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: 16.05.2016		
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
16-May	10	1622	1649	1630	1632	650	470	2170	-600
16-June	12	1669	1670	1659	1661	2460	-160	13170	-210
16-July	11	1689	1695	1688	1688	400	385	2440	-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
	14.May.16	14.May.16	14.May.16	9.May.16
Delhi	2646	0	2646	2646
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	16000	921	16921	14606
Rajkot	-	-	-	-

### Wheat Daily Prices and Arrivals on 16.5.2016

	Market	Variety	Prices (Rs/Qtl)		Change
			16-May-16	14-May-16	
Delhi	Lawrence Road	Mill Delivery	1680	1660	20
	Narella	Mill Quality Loose	1630	1600	30
	Nazafgarh	Mill Quality Loose	1615	1600	15
Gujarat	Rajkot	Mill Delivery	1635	1630	5
	Ahmedabad	Mill Delivery	1725	1720	5
	Dhrol	Mill Quality Loose	NR	1780	-
	Surat	Mill Delivery	1750	1750	Unch
M.P.	Bhopal	Mill Quality Loose	1550	1560	-10
	Indore	Mill Delivery	1710	1710	Unch
Rajasthan	Kota	Mill Quality Loose	1570	1570	Unch
		Mill Delivery	1650	1650	Unch
U.P.	Kanpur	Mill Delivery	1625	1615	10
	Mathura	Mill Quality Loose	1545	1535	10
	Kosi	Mill Quality Loose	1530	1510	20
	Hathras	Mill Quality Loose	NR	1531	-
	Aligarh	Mill Quality Loose	1520	1510	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	1660	1640	20
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1580	1580	Unch
	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	NR	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
			16-May-16	14-May-16	
Gujarat					
	Rajkot	Lokwan	1850	1850	Unch
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1800	1800	Unch
	Bina	Sarbati 306	NR	2600	-
Rajasthan	Kota	LokwanBilty	1850	1850	Unch
	Baran	Lokwan	1700	1675	25

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			16-May-16	14-May-16	
Delhi					
	Lawrence Road	Mill Delivery	18000	7000	11000
	Narella	Mill Quality Loose	800	2000	-1200
	Nazafgarh	Mill Quality Loose	200	300	-100
Gujarat	Rajkot	Mill Quality Loose	1600	1000	600
	Dhrol	Mill Quality Loose	NR	80	-
M.P.	Indore	Mill Quality Loose	1000	3000	-2000
Rajasthan	Kota	Mill Quality	25000	25000	Unch
U.P.	Kanpur	Mill Quality Loose	500	300	200
	Mathura	Mill Quality Loose	1500	1000	500
	Kosi	Mill Quality Loose	3000	3000	Unch
	Hathras	Mill Quality Loose	NR	550	-
	Aligarh	Mill Quality Loose	1000	500	500
Punjab	Khanna	Mill Quality Loose	2000	1000	1000
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	1000	1000	Unch
	Hodal	Mill Quality Loose	200	200	Unch
	Karnal	Mill Delivery	1000	1000	Unch
	Bhiwani	Mill Quality Loose	1700	1700	Unch
	Panipat	Mill Quality Loose	250	NA	-

Wheat Products Delhi			16-May-16	14-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: 13.5.2016					
Contract Month	Open	High	Low	Close	Change
16-May	468.0	477.5	464.8	474.75	6.75
16-Jul	477.0	486.3	473.8	484.00	6.25
16-Sep	494.0	501.5	491.0	499.25	5.00
16-Dec	508.0	515.3	505.5	513.25	4.00
17-Mar	517.3	523.0	517.3	521.50	2.50
17-May	519.8	528.3	519.8	524.00	0.75

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