

### Wheat Domestic Fundamentals:

**India exported 1390.61T wheat during week ending 5<sup>th</sup> June-2016.** Average FoB price was registered at \$285.83 per tonne. The highest and lowest quote was registered at \$701 & \$224.77 per T. India had exported 489.32 T wheat previous week. Export volume would remain negligible as parity is not in favor of India.

**Major wheat cash markets traded almost flat taking clue from stable futures.** All India average wheat price increased by 4.01 % from Rs1740.84 to Rs1810.73 per qtl. during the week ended 4<sup>th</sup> May-2016. Arrival continues to decrease and private buyers remain active above Rs 1700 per qtl. All India average price is higher by 8.88% in comparison to price registered in June, 2015. In June, 2015 average price was registered at 1662.94 per qtl.

**Overall trend in cash market is expected to remain firm as fear of lower production is gaining solid ground now.** Govt. has estimated 94.02MMT wheat production in 3<sup>rd</sup> Adv. estimates released on 9<sup>th</sup> May-2016. However, lower arrivals and higher price in ongoing season hint lower production size (around 87/88MMT) in 2016.

**Govt.'s procurement target for the year is unchanged at 30 MMT and there is no reduction in its target so far despite slower pace of procurement in Rajasthan.MP and Uttar Pradesh.** Procurement has been below 23 MMT so far. There is a gossip in the market that higher prevailing price in open market and thinning arrival may restrict total procurement to 24MMT for the ongoing season.

**Govt. may use two tools to curb wheat market if price continues to move up.** Firstly, it can revise sale price for OMSS in July and secondly, revise import duty downward from 25 % to 10 %..It has ample stock to take care of any additional demand despite lower procurement. Revising import duty downward may push global wheat price up. Dollar may appreciate.

**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.

### International Market Update:

**Bangladesh received a lowest offer of \$233.17 a tonne from Singapore-based Agro Food in a tender to import 50,000 tonnes of wheat.** Only one other trader, Olam International, competed for the tender from the Directorate General of Food, quoting \$249.89 a tonne.

**Wheat production in Australia for the 2016-2017 season (October-September) is expected to reach as high as 27.1 million mt, if La Nina occurs with 20% above-average rainfall in the country,** said National Bank of Australia

**IGC has revised global wheat production estimate up from 717 to 722 MMT** in its May-2016 update. Global trade estimate has been revised up by 1 MMT to 154MMT. Global consumption estimate has been revised up by 2MMT to 717 MMT. Carryout stock has been revised up from 218 to 223 MMT.

**Russia will procure wheat for restocking programme in MY 2016-17 ,starting from July** at \$161 per T(10,900 roubles) for third class wheat, almost same price set for last year. At the end of last week, domestic prices for third-class wheat were at 10,925 roubles a tonne in the European part of Russia on an ex-works basis.

**Domestic market Outlook:** Wheat cash market is likely trade range bound in the short term..

Wheat Futures Contact: NCDEX Price							Date:08.06.2016		
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
16-June	8	1662	1695	1680	1682	1610	970	10900	-1850
16-July	5	1714	1725	1710	1713	1938	-1785	15980	425
16-Aug	1	1746	1751	1735	1742	680	445	1724	1110

Spread	Jun-16	July-16	Aug-16	
Spot Narella				
16-June	18			
16-July		31		
16-Aug			29	

Stocks	Demat	In- Process	Total	FED
	7.June.16	7.June.16	7.June.16	6.June.16
Delhi	2636	0	2636	2636
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	19160	168	19328	19160
Rajkot	-	-	-	-

**Wheat Daily Prices and Arrivals on 08.06.2016**

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			8-Jun-16	07-Jun-16	
Delhi	Lawrence Road	Mill Delivery	1770	1770	Unch
	Narella	Mill Quality Loose	Closed	1700	-
	Nazafgarh	Mill Quality Loose	Closed	1680	-
Gujarat	Rajkot	Mill Delivery	1780	1765	15
	Ahmedabad	Mill Delivery	1800	1790	10
	Dhrol	Mill Quality Loose	1850	1920	-70
	Surat	Mill Delivery	1825	1800	25
M.P.	Bhopal	Mill Quality Loose	1650	1650	Unch
	Indore	Mill Delivery	1800	1790	10
Rajasthan	Kota	Mill Quality Loose	1625	1625	Unch
		Mill Delivery	1725	1710	15
U.P.	Kanpur	Mill Delivery	1625	1625	Unch
	Mathura	Mill Quality Loose	1630	1630	Unch
	Kosi	Mill Quality Loose	1610	1611	-1
	Hathras	Mill Quality Loose	1620	NA	-
	Aligarh	Mill Quality Loose	1650	1640	10
Punjab	Khanna	Mill Quality Loose	1540	NA	-
	(Ludhiana)Jagraon	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1630	1635	-5
	Hodal	Mill Delivery	1750	1750	Unch
	Karnal	Mill Delivery	1660	1660	Unch
	Bhiwani	Mill Quality Loose	1700	1700	Unch
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2000	2000	Unch
	Madurai	Mill Quality	2057	2057	Unch
	Coimbatore	Mill Quality	2057	2057	Unch
Bihar	Sitamari	Mill Delivery	1465	1455	10

	Khagariya	Mill Delivery	1650	1600	<b>50</b>
<b>FOR</b>	Kandla(Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham(Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			8-Jun-16	7-Jun-16	
<b>Gujarat</b>					
	Rajkot	Lokwan	2000	1950	<b>50</b>
<b>M.P.</b>	Indore	Lokwan	2200	2100	<b>100</b>
	Bhopal	Lokwan	1825	1850	<b>-25</b>
	Bina	Sarbati 306	Closed	2700	-
<b>Rajasthan</b>	Kota	LokwanBilty	1800	1800	<b>Unch</b>
	Baran	Lokwan	1725	1700	<b>25</b>

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			8-Jun-16	7-Jun-16	
<b>Delhi</b>					
	Lawrence Road	Mill Delivery	8000	7000	<b>1000</b>
	Narella	Mill Quality Loose	Closed	2050	-
	Nazafgarh	Mill Quality Loose	Closed	200	-
<b>Gujarat</b>	Rajkot	Mill Quality Loose	1200	1000	<b>200</b>
	Dhrol	Mill Quality Loose	26	38	<b>-12</b>
<b>M.P.</b>	Indore	Mill Quality Loose	3000	2000	<b>1000</b>
<b>Rajasthan</b>	Kota	Mill Quality	8000	7000	<b>1000</b>
<b>U.P.</b>	Kanpur	Mill Quality Loose	500	500	<b>Unch</b>
	Mathura	Mill Quality Loose	600	250	<b>350</b>
	Kosi	Mill Quality Loose	1500	1500	<b>Unch</b>
	Hathras	Mill Quality Loose	410	NA	-
	Aligarh	Mill Quality Loose	250	500	<b>-250</b>
<b>Punjab</b>	Khanna	Mill Quality Loose	300	NA	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Quality Loose	200	200	<b>Unch</b>
	Hodal	Mill Quality Loose	50	100	<b>-50</b>
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1000	600	<b>400</b>
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi			8-Jun-16	7-Jun-16	Change
Atta (50kg) Ordinary			950	950	<b>Unch</b>
Maida Grade 1 (50KG)			1290	1290	<b>Unch</b>
Suji (50kg)			1350	1340	<b>10</b>

Chokar (50 kg)	735	735	Unch
Chokar (34 kg)	490	490	Unch
Chakki Atta (50kg)	980	1005	-25
Chakki Atta (50kg) Special	1025	1025	Unch
Chakki Atta (90kg) Superfine	1897	1917	-20
Chakki Atta (50kg) Superfine	1035	1035	Unch

Wheat (CBOT) Future Price: 09.06.2016					
Contract Month	Open	High	Low	Close	Change
Jul-16	507.0	513.5	500.8	509.0	1.50
Sep-16	517.0	523.0	510.5	519.3	1.50
Dec-16	535.0	540.0	528.5	538.0	2.50
Mar-17	553.0	557.0	546.5	556.0	2.80
May-17	564.0	567.5	560.3	566.8	2.80
Jul-17	570.0	575.5	565.0	574.3	2.80

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