

**Wheat Domestic Fundamentals:**

**As wheat price is ruling higher and production is expected to be around 87 MMT this year, Govt. may reduce import duty from 25 % to 10 % by the of this month. This year Indian millers may import around 2 MMT wheat. Importers have already contracted around 7 lakh tonne wheat for import mostly from Australia. It may boost up wheat price in the international market. Dollar may appreciate.**

**India exported 1390.61T wheat during week ending 5<sup>th</sup> June-2016.** AverageFoB 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.

**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.

**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.

**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..

<b>Wheat Futures Contact: NCDEX Price</b>							<b>Date:09.06.2016</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-June</b>	17	1685	1710	1685	1708	3700	970	8000	-850
<b>16-July</b>	15	1723	1740	1718	1737	7340	-1785	21180	1425
<b>16-Aug</b>	15	1751	1767	1750	1763	1030	345	118	10

Spread	Jun-16	July-16	Aug-16	
<b>Spot Narella</b>				
<b>16-June</b>	18			
<b>16-July</b>		31		
<b>16-Aug</b>			29	

Stocks	Demat	In- Process	Total	FED
	<b>8.June.16</b>	<b>8.June.16</b>	<b>8.June.16</b>	<b>6.June.16</b>
<b>Delhi</b>	2636	0	2636	2636
<b>Itarsi</b>	-	-	-	-
<b>Kanpur</b>	-	-	-	-
<b>Kota</b>	19160	266	19426	19160
<b>Rajkot</b>	-	-	-	-

**Wheat Daily Prices and Arrivals on 09.06.2016**

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			<b>9-Jun-16</b>	<b>08-Jun-16</b>	
<b>Delhi</b>	Lawrence Road	Mill Delivery	1780	1770	<b>10</b>
	Narella	Mill Quality Loose	1700	Closed	-
	Nazafgarh	Mill Quality Loose	1700	Closed	-
<b>Gujarat</b>	Rajkot	Mill Delivery	1775	1780	<b>-5</b>
	Ahmedabad	Mill Delivery	1800	1800	<b>Unch</b>
	Dhrol	Mill Quality Loose	1950	1850	<b>100</b>
	Surat	Mill Delivery	1825	1825	<b>Unch</b>
<b>M.P.</b>	Bhopal	Mill Quality Loose	1650	1650	<b>Unch</b>
	Indore	Mill Delivery	1800	1800	<b>Unch</b>
<b>Rajasthan</b>	Kota	Mill Quality Loose	1640	1625	<b>15</b>
		Mill Delivery	1725	1725	<b>Unch</b>
<b>U.P.</b>	Kanpur	Mill Delivery	1630	1625	<b>5</b>
	Mathura	Mill Quality Loose	1640	1630	<b>10</b>
	Kosi	Mill Quality Loose	1620	1610	<b>10</b>
	Hathras	Mill Quality Loose	1625	1620	<b>5</b>
	Aligarh	Mill Quality Loose	1650	1645	<b>5</b>
<b>Punjab</b>	Khanna	Mill Quality Loose	1540	1540	<b>Unch</b>
	(Ludhiana)Jagraon	Mill Delivery	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Delivery loose	1630	1630	<b>Unch</b>
	Hodal	Mill Delivery	1740	1750	<b>-10</b>
	Karnal	Mill Delivery	1660	1660	<b>Unch</b>
	Bhiwani	Mill Quality Loose	1700	1700	<b>Unch</b>
	Panipat	Mill Quality Loose	NA	NA	-
<b>Tamil Nadu</b>	Chennai	Mill Quality	2000	2000	<b>Unch</b>
	Madurai	Mill Quality	2057	2057	<b>Unch</b>
	Coimbatore	Mill Quality	2057	2057	<b>Unch</b>
<b>Bihar</b>	Sitamari	Mill Delivery	1465	1465	<b>Unch</b>

	Khagariya	Mill Delivery	1650	1650	Unch
FOR	Kandla(Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham(Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			9-Jun-16	8-Jun-16	
Gujarat					
	Rajkot	Lokwan	2000	2000	Unch
M.P.	Indore	Lokwan	2200	2200	Unch
	Bhopal	Lokwan	1825	1825	Unch
	Bina	Sarbati 306	2700	Closed	-
Rajasthan	Kota	LokwanBilty	1800	1800	Unch
	Baran	Lokwan	1725	1725	Unch

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			9-Jun-16	8-Jun-16	
Delhi					
	Lawrence Road	Mill Delivery	8000	8000	Unch
	Narella	Mill Quality Loose	1000	Closed	-
	Nazafgarh	Mill Quality Loose	200	Closed	-
Gujarat	Rajkot	Mill Quality Loose	1400	1200	200
	Dhrol	Mill Quality Loose	35	26	9
M.P.	Indore	Mill Quality Loose	3000	3000	Unch
Rajasthan	Kota	Mill Quality	10000	8000	2000
U.P.	Kanpur	Mill Quality Loose	400	500	-100
	Mathura	Mill Quality Loose	500	600	-100
	Kosi	Mill Quality Loose	1000	1500	-500
	Hathras	Mill Quality Loose	200	410	-210
	Aligarh	Mill Quality Loose	500	250	250
Punjab	Khanna	Mill Quality Loose	300	300	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	300	200	100
	Hodal	Mill Quality Loose	50	50	Unch
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	2000	1000	1000
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi			9-Jun-16	8-Jun-16	Change
Atta (50kg) Ordinary			950	950	Unch
Maida Grade 1 (50KG)			1290	1290	Unch
Suji (50kg)			1350	1350	Unch

Chokar (50 kg)	735	735	Unch
Chokar (34 kg)	490	490	Unch
Chakki Atta (50kg)	980	980	Unch
Chakki Atta (50kg) Special	1025	1025	Unch
Chakki Atta (90kg) Superfine	1897	1897	Unch
Chakki Atta (50kg) Superfine	1035	1035	Unch

Wheat (CBOT) Future Price: 10.06.2016					
Contract Month	Open	High	Low	Close	Change
<b>Jul-16</b>	507.3	524.0	506.0	519.5	10.50
<b>Sep-16</b>	518.8	533.8	516.5	530.5	11.25
<b>Dec-16</b>	537.5	551.5	534.5	548.3	10.25
<b>Mar-17</b>	554.0	569.0	553.3	566.0	10.00
<b>May-17</b>	564.0	580.0	564.0	576.8	10.00
<b>Jul-17</b>	571.3	586.5	571.3	583.8	9.50

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