

Wheat Domestic Fundamentals:

Industry sources says that India may import wheat in the range of 2 to 3 MMT in 2016-17 as bulk consumers in India have started looking for new source at affordable price. Wheat price in domestic market continues to increase and supply crunch may be felt in the third and fourth quarter-says industry sources. Wheat prices in India have climbed 9 per cent since April. Indian flour mills have signed deals to import wheat from Australia and France. Total quantity is said to be around 1) lakh tonne that may start arriving from July till September.

All India average wheat price increased by 2.50 % from Rs1775.04to Rs1869.70 per qtl. during the week ended 11th June-2016. Arrival continues to decrease and private buyers remain active above Rs 1700-Rs1725 per qtl. All India average price is higher by 8.31% in comparison to price registered in June, 2015. In June, 2015 average price was registered at 1680.91 per qtl.

Overall trend in cash market is expected to remain firm as lower production this year has changed inner tone. Govt. has estimated 94.02MMT wheat production in 3rd Adv. estimates released on 9th May-2016. However, lower arrivals and higher price in ongoing season hint lower production size (around 87MMT) in 2016.

Agriwatch expects revision in import duty soon. Govt. may revise it down from 25 to 10 % to restrict uptrend. At current price Indian wheat FoB, if sourced from MP, Rajasthan for Kandlaport, comes to \$ 275/276 per metric tonne. In INR term is Rs 18500 per tonne. At current price if Russian wheat is imported it may land at Indian port at \$245 per tonne with 10 % import duty. At 25 % it would be \$306.88 per T. If wheat is imported from France costing comes to\$ 297 At 25% duty, it comes to \$238.06 at 10 % duty. At 10 % duty Australian wheat costing at Indian port would be \$264.24 per Tonne. If govt. revises duty to 10 percent, parity would turn in favor of south Indian millers.

Govt. has estimated 94.02MMT wheat production in 3rd Adv. estimates released on 9th May-2016. However, lower arrivals and higher price in ongoing season hint lower production size (around 87/88MMT) in 2016.

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.

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.

Iran has bought 3.6 million tonnes of wheat from domestic farmers this year in state-sponsored purchases. It is almost 25 percent higher than the same period last year. Iran had bought 2.9 million tonnes of wheat from Iranian farmers by mid-July last year.

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

Wheat Futures Contact: NCDEX Price							Date:14.06.2016		
Contract Month	Ch from previous day	Open	High	Low	Close	Vol	Ch. From previous day	OI	Ch. From previous day
16-June	0	1702	1707	1699	1702	620	-770	3080	-2250
16-July	0	1733	1734	1723	1730	2900	-885	26510	-85
16-Aug	-1	1759	1760	1751	1759	680	-545	3430	-30

Spread	Jun-16	July-16	Aug-16	
Spot Narella				
16-June	-23			
16-July		28		
16-Aug			29	

Stocks	Demat	In- Process	Total	FED
	13.June.16	13.June.16	13.June.16	13.June.16
Delhi	2134	0	2134	2134
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	19246	128	19374	19246
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 14.06.2016

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			14-Jun-16	13-Jun-16	
Delhi	Lawrence Road	Mill Delivery	1800	1790	10
	Narella	Mill Quality Loose	1725	1725	Unch
	Nazafgarh	Mill Quality Loose	1725	1700	25
Gujarat	Rajkot	Mill Delivery	1770	1755	15
	Ahmedabad	Mill Delivery	1780	1770	10
	Dhrol	Mill Quality Loose	1985	1940	45
	Surat	Mill Delivery	1805	1805	Unch
M.P.	Bhopal	Mill Quality Loose	1725	1725	Unch
	Indore	Mill Delivery	1810	Closed	-
Rajasthan	Kota	Mill Quality Loose	1650	1680	-30
		Mill Delivery	1740	1730	10
U.P.	Kanpur	Mill Delivery	NR	1625	-
	Mathura	Mill Quality Loose	1655	1655	Unch
	Kosi	Mill Quality Loose	1630	1625	5
	Hathras	Mill Quality Loose	1650	NR	-
	Aligarh	Mill Quality Loose	1640	1655	-15
Punjab	Khanna	Mill Quality Loose	1610	1610	Unch
	(Ludhiana)Jagraon	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1660	1650	10
	Hodal	Mill Delivery	1740	1750	-10
	Karnal	Mill Delivery	1650	1650	Unch
	Bhiwani	Mill Quality Loose	1700	1700	Unch
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2050	2000	50
	Madurai	Mill Quality	2107	2057	50
	Coimbatore	Mill Quality	2107	2057	50
Bihar	Muzaffarpur	Mill Delivery	1640	1650	-10

	Khagariya	Mill Delivery	1700	1700	Unch
FOR	Kandla(Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham(Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			14-Jun-16	13-Jun-16	
Gujarat					
	Rajkot	Lokwan	2000	2000	Unch
M.P.	Indore	Lokwan	2200	Closed	-
	Bhopal	Lokwan	1900	1900	Unch
	Bina	Sarbati 306	2750	2750	Unch
Rajasthan	Kota	LokwanBilty	1900	1850	50
	Baran	Lokwan	1750	1750	Unch

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			14-Jun-16	13-Jun-16	
Delhi					
	Lawrence Road	Mill Delivery	6000	8000	-2000
	Narella	Mill Quality Loose	1200	1000	200
	Nazafgarh	Mill Quality Loose	100	500	-400
Gujarat	Rajkot	Mill Quality Loose	1400	1200	200
	Dhrol	Mill Quality Loose	32	201	-169
M.P.	Indore	Mill Quality Loose	1500	Closed	-
Rajasthan	Kota	Mill Quality	7000	10000	-3000
U.P.	Kanpur	Mill Quality Loose	NR	500	-
	Mathura	Mill Quality Loose	500	600	-100
	Kosi	Mill Quality Loose	700	1500	-800
	Hathras	Mill Quality Loose	300	NR	-
	Aligarh	Mill Quality Loose	1000	400	600
Punjab	Khanna	Mill Quality Loose	300	300	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	100	100	Unch
	Karnal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1000	800	200
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi			14-Jun-16	13-Jun-16	Change
Atta (50kg) Ordinary			975	950	25
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: 13.6.2016					
Contract Month	Open	High	Low	Close	Change
Jul-16	495.50	503.25	490.75	491.25	-3.75
Sep-16	507.25	514.75	502.75	503.25	-3.25
Dec-16	526.00	533.50	522.75	523.25	-1.50
Mar-17	549.50	551.50	542.25	542.75	0.50
May-17	562.00	563.00	554.00	554.75	0.50
Jul-17	563.25	571.50	563.00	563.50	0.50

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php> © 2016 Indian Agribusiness Systems Pvt Ltd.