Wheat Daily Fundamental Report
16th July, 2016

Wheat Domestic Fundamentals:

Wheat cash market is likely to trade stable in the month of July as supply *from central pool is expected to increase.Stock has started declining with local millers and they would start sourcing wheat from open market besides central pool stock.Incoming festive season would encourage wheat demand from millers while there is a shortage of FAQ varieties in the market. Seasonal factors too indicate firm tone from August. However,one way firmness is unlikely as global market is in extreme pressure, import starts and release from central pool continues.*

Wheat import in India begins in month of July-2016.It is the first consignment *that landed at Tuticorin port last week.The quantity in question is 11,000 T sourced from Ukraine at an average CiF of $191.94 per tonne.if 25 % import duty is applied,the costing comes to 17500 per tonne.Freight and insurence cost is around $30 per tonne.Two more vessels of higher quantity is expected this month from Ukraine.*

Market sources say that two consignments from France are expected next month*.As prices in domestic market rule higher, south Indian millers would continue to import.Over 1 million tonne import deals have already been struck so far.Beginning of import would decrease demand from south Indian millers and it will put pressure on wheat price in central and north India.*

India exported3466.31 tonne wheat during week ended 10th ,July-2016.*Major buyers were UAE,Nepal and Jordan contributing 3055.8,154.28 & 100 tonne respectively in export basket.wheat has been exported at an average FoB of$331.65 per tonne.Malaysia,Somalia and Sri Lanka purchased 50,48& 42 tonne wheat during the week under review.Wheat export increased considerably last week from559.85 to 3466.31 tonne.*

All India average wheat price could not sustain its previous week high *and decreased by 4.33 percent to Rs 1724.26 to during the week ended 9th July-2016...Wheat average price was ruling at Rs 1802.45 percent in the first week of July. Arrival continues to decrease and private buyers remain active above Rs 1725-Rs1750 per qtl..All India average price is higher by 3.25 % in comparison to price registered in mid July, 2015. In mid July, 2015 average price was registered at 1669.84 per qtl.*

As per normal stock norms, India need 245 lakh tonne wheat as on 1st July as operational *stock while 30 lakh tonne as strategic reserve.So, total requirements bring it to 275 lakh tonne. Against this total availability is around 326 lakh tonne,higher by 51 lakh tonne. So there is no panic at supply front and govt is able to release stock as per market needs as and when it requires.*

Reserve price for bulk sale is Rs 1640 per qtl. and for dedicated movement *sale reserve price will be calculated after adding handling and transportation charges from FCI depot to loading in Railway Rake. Weekly auction will begin from 4th July-2016 in MP region. Sale would be conducted(As is where is basis. Detailed tender form will be uploaded on every Monday on FCI website.For more information interested parties may log on to http://fciweb.nic.in/*

International Market Update:

Flour Millers in Taiwan has purchased over one lakh tonnemilling wheat from *US through tender. Delivery is due in August and Sept-2016 in two consignments. First consignment would be of spring wheat having 14.5 percent protein content.It has been brought at $231.25 per tonne on FoBbasis.Second consignment of hard red winter wheat having 13 percent protein content has been brought at $228.29(FoB) per tonne while wheat having 9 percent protein content was purchased at $203.11 per tonne. If we include frieght of $20.84 per tonne,cif comes to $ 252,$248 and 4224 per tonne respectively for Taiwan.*

IGC has revised wheat production projection up by 7MMT from722 to729 *MMT in 1st,July-2016 for crop year2016-17. According to IGC global wheat production for 2016-17may touch 729 MMT against 736 forecast for 2015-16. The difference is around 7 MMT from previous year.*

Australian Bureau of Agricultural and Resource Economics and Sciences *(ABARES) has revised its wheat production estimate for 2016-17 up from 24.4 to25.4MMT.The new season will end on 1st July-2017.It would be the highest production after 2012-13.Higher wheat output from Australia will add pressure on global prices.*

Domestic market Outlook*:Wheat cash market is likely to trade range bound .*

Wheat Futures Contact: NCDEX Price								***Date:15.07.2016***	
Contract Month	***Ch from previous day***	***Open***	***High***	***Low***	***Close***	***Vol.***	***Ch. From previous day***	***OI***	***Ch. From previous day***
16-July	14	1722	1737	1720	1735	70	20	1660	-100
16-Aug	4	1749	1759	1745	1748	3160	2310	31710	-450
16-Sep	3	1775	1783	1771	1776	1180	610	3860	310

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Spread	July-16	Aug-16	Sep-16	
Spot Narella				
16-July	35			
16-Aug		13		
16-Sep			28	

Stocks	Demat	In- Process	Total	FED
	14.July.16	14.July.16	14.July.16	11.July.16
Delhi	1635	0	1635	1635
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	17307	0	17307	17307
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 15.07.2016

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			15-Jul-16	14-Jul-16	
Delhi	Lawrence Road	Mill Delivery	1780	1780	Unch
	Narella	Mill Quality Loose	1700	1695	5
	Nazafgarh	Mill Quality Loose	1690	1690	Unch
Gujarat	Rajkot	Mill Delivery	1730	1735	-5
	Ahmedabad	Mill Delivery	1870	1870	Unch
	Surat	Mill Delivery	1900	1900	Unch
	Dhrol	Mill Quality Loose	NR	1850	--
M.P.	Indore	Mill Delivery	1750	1750	Unch
	Bhopal	Mill Quality Loose	1725	1725	Unch
Rajasthan	Kota	Mill Quality Loose	NR	1715	-
		Mill Delivery	NR	1770	-
U.P.	Kanpur	Mill Delivery	NR	1675	-
	Mathura	Mill Quality Loose	1630	1625	5
	Kosi	Mill Quality Loose	1620	1625	-5
	Hathras	Mill Quality Loose	1625	1625	Unch
	Aligarh	Mill Quality Loose	1600	1650	-50
Punjab	Khanna	Mill Quality Loose	NR	1610	--
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1660	1660	Unch
	Hodal	Mill Delivery	1770	1770	Unch
	Bhiwani	Mill Quality Loose	1700	1700	Unch
	Karnal	Mill Delivery	1655	1670	-15
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	NR	2100	-
	Madurai	Mill Quality	NR	2157	-
	Coimbatore	Mill Quality	NR	2157	-
Bihar	Khagariya	Mill Delivery	1700	1700	Unch
	Muzaffarpur	Mill Delivery	1675	1675	Unch

FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			15-Jul-16	14-Jul-16	
Gujarat	Rajkot	Lokwan	2000	2000	Unch
M.P.	Indore	Lokwan	2200	2200	Unch
	Bhopal	Lokwan	1850	1900	-50
	Bina	Sarbati 306	2300	2300	Unch
Rajasthan	Kota	LokwanBilty	NR	1900	-
	Baran	Lokwan	1825	1825	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			15-Jul-16	14-Jul-16	
Delhi	Lawrence Road	Mill Delivery	8000	7000	1000
	Narella	Mill Quality Loose	200	150	50
	Nazafgarh	Mill Quality Loose	NA	20	-
Gujarat	Rajkot	Mill Quality Loose	800	800	Unch
	Dhrol	Mill Quality Loose	NR	34	--
M.P.	Indore	Mill Quality Loose	1400	1500	-100
Rajasthan	Kota	Mill Quality	NR	1500	-
U.P.	Kanpur	Mill Quality Loose	NR	NR	-
	Mathura	Mill Quality Loose	150	300	-150
	Kosi	Mill Quality Loose	250	400	-150
	Hathras	Mill Quality Loose	20	100	-80
	Aligarh	Mill Quality Loose	100	3000	-2900
Punjab	Khanna	Mill Quality Loose	NR	200	--
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	50	100	-50
	Bhiwani	Mill Quality Loose	700	800	-100
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	15-Jul-16	14-Jul-16	Change
Atta (50kg) Ordinary	975	975	Unch
Maida Grade 1 (50KG)	1315	1315	Unch
Suji (50kg)	1365	1365	Unch
Chokar (50 kg)	649	649	Unch

Chokar (34 kg)	432	432	Unch
Chakki Atta (50kg)	1000	1000	Unch
Chakki Atta (50kg) Special	1075	1075	Unch
Chakki Atta (90kg) Superfine	1942	1942	Unch
Chakki Atta (50kg) Superfine	1060	1060	Unch

Wheat (CBOT) Future Price: 14.7.2016					
Contract Month	**Open**	**High**	**Low**	**Close**	**Change**
Jul-16	431.25	431.25	421.75	421.75	**-4.50**
Sep-16	439.25	447.75	431.00	434.00	**-5.75**
Dec-16	461.75	471.75	455.00	458.50	**-4.50**
Mar-17	481.25	491.00	475.00	479.75	**-2.25**
May-17	494.00	502.25	488.25	492.25	**-1.75**
Jul-17	502.00	509.50	496.75	500.50	**-1.50**