

### Wheat Domestic Fundamentals:

**Overall wheat cash markets traded steady to weak on Saturday. However, Rains have affected arrivals** in mandis and demand for wheat is likely to recover once again ahead of festive demand. Release through auction from central pool stock continues and it may be restrictive to cash market fundamental. However, overall medium term outlook remains firm.

**Wheat import continues and a third consignment of 5000 thousand T landed on Tuticorin** during week ended 24th ,July-2016. Wheat has been sourced from Ukraine at an average CiF of 191.94. This year total import registered at 34500 tonne in last three weeks from one country-Ukraine. Import is likely to continue as wheat price in Black sea region has decreased to \$160 per tonne.

**Regular release from central pool stock through auction would ensure supply for millers and in open market.** Wheat price in Black Sea Region has decreased to \$160 per tonne. If millers add freight and insurance cost (around \$25 per tonne) it brings total landed cost at \$190 per tonne at Tuticorin port. With 25 percent duty total costing for millers come to Rs 15200 per tonne at their premises in Kerala. When they source it from domestic markets, total cost comes to Rs19000 per tonne. So, import is likely to continue.

**India exported 463.88 tonne wheat during week ended 24th, July, 2016. It decreases by 28.46 %** from previous week. Wheat has been exported at an average price of 354.94 per tonne. major chunk has been exported from Mundra port. major buyers were UAE, Malaysia and Sri Lanka. As there is no parity for exporters, export volume would remain at negligible level in coming weeks too.

**Unchanged import duty structure would force south Indian millers to source wheat** from central and north India to some extent. However, weak global market due to ample availability in Black Sea Region, US, Australia, France, Canada and Argentina has encouraged south Indian millers to continue import despite 25% import duty.

**All India average wheat price recovers once again and increased by 1.62 percent to Rs 1801.05 per qtl.** during the week ended 23rd July-2016. Wheat average price was ruling at Rs 1772.26 per qtl in the second week of July. Arrival continues to decrease and private buyers remain active above Rs 1700-Rs1725 per qtl. All India average price is higher by 7.71 % in comparison to price (Rs 1672.11 per qtl.) registered in the third week of July, 2015.

### International Market Update:

**As per USDA, U.S wheat exports at 0.549 MMT (for the period 15<sup>th</sup> July- 21<sup>st</sup> July, 2016) were up 53 percent from the previous week** and 25 percent from the prior 4-week average. The primary destinations were Japan (178,200 MT), Chile (92,200 MT), Brazil 59,900 MT), Taiwan (56,800 MT), Peru (49,500 MT), Thailand (27,000 MT), and Mexico (25,700 MT).

**France is expecting low yields due to heavy rain and lack of sunshine in spring which may lead to decrease in French wheat exports especially to overseas milling-wheat markets.** A panamax bulk vessel is expected to arrive at Dunkirk in the mid of August from Romania carrying a quantity of around 55000-60000 MT. France usually takes smaller quantity of Romanian wheat such as 17500 MT in 2014/15 season and it seldom imports large quantities in June-July marketing season.

**Ukraine is offering wheat at \$160 per tonne for wheat having 12.5 percent protein content.** However, French wheat export price increased by 4.5 % to \$ 186 per tonne. Crop condition has worsened in France and production may decrease by 17 percent to 34 MMT this year. Fear of lower crop size has lent support to French wheat export price. Besides, production in Ukraine and EU is likely to decrease by 8.34 and 2.19 percent to 25 and 156.5 MMT respectively.

Wheat Futures Contact: NCDEX Price							Date: 29.07.2016		
Contract Month	Ch from previous day	Open	High	Low	Close	Vol.	Ch. From previous day	OI	Ch. From previous day
16-Aug	-3.00	1708.00	1715.00	1706.00	1712.00	3140	-620	25520	-1690
16-Sep	-4.00	1735.00	1740.00	1733.00	1738.00	2160	80	7270	1470
16-Oct	-10.00	1763.00	1763.00	1756.00	1756.00	20	-550	840	0

Spread	Aug-16	Sep-16	Oct-16	
Spot Narella				
16-Aug	62			
16-Sep		26		
16-Oct			18	

Stocks	Demat	In- Process	Total	FED
	29.July.16	29.July.16	29.July.16	25.July.16
Delhi	911	0	911	911
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	15056	0	15056	15056
Rajkot	-	-	-	-

**Wheat Daily Prices and Arrivals on 30.07.2016**

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			30-Jul-16	29-Jul-16	
Delhi	Lawrence Road	Mill Delivery	1760	1760	Unch
	Narella	Mill Quality Loose	1650	1650	Unch
	Nazafgarh	Mill Quality Loose	1650	1650	Unch
Gujarat	Rajkot	Mill Delivery	1725	1725	Unch
	Ahmedabad	Mill Delivery	1870	1870	Unch
	Surat	Mill Delivery	1900	1900	Unch
	Dhrol	Mill Quality Loose	1930	NR	-
M.P.	Indore	Mill Delivery	1730	1730	Unch
	Bhopal	Mill Quality Loose	1700	1700	Unch
Rajasthan	Kota	Mill Quality Loose	1660	1680	-20
		Mill Delivery	1750	1750	Unch
U.P.	Kanpur	Mill Delivery	1740	1740	Unch
	Mathura	Mill Quality Loose	1610	1615	-5
	Kosi	Mill Quality Loose	1595	1595	Unch
	Hathras	Mill Quality Loose	1635	1635	Unch
	Aligarh	Mill Quality Loose	1600	1620	-20
Punjab	Khanna	Mill Quality Loose	1605	1610	-5
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1650	1655	-5
	Hodal	Mill Delivery	1750	1750	Unch
	Bhiwani	Mill Quality Loose	1660	1660	Unch
	Karnal	Mill Delivery	1655	1655	Unch
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2050	2050	Unch
	Madurai	Mill Quality	2107	2107	Unch
	Coimbatore	Mill Quality	2107	2107	Unch
Bihar	Khagariya	Mill Delivery	1750	1750	Unch
	Muzaffarpur	Mill Delivery	1745	1750	-5

<b>FOR</b>	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

<b>Centre</b>	<b>Market</b>	<b>Variety</b>	<b>Prices (Rs/Qtl)</b>		<b>Change</b>
			<b>30-Jul-16</b>	<b>29-Jul-16</b>	
<b>Gujarat</b>	Rajkot	Lokwan	2000	2000	Unch
<b>M.P.</b>	Indore	Lokwan	2100	2100	Unch
	Bhopal	Lokwan	1800	1800	Unch
	Bina	Sarbati 306	Closed	2300	-
<b>Rajasthan</b>	Kota	LokwanBilty	1800	1800	Unch
	Baran	Lokwan	1800	1800	Unch

<b>Wheat Arrivals in Key Centers:</b>					
<b>Centre</b>	<b>Market</b>	<b>Variety</b>	<b>Arrivals (Bags/Qtl)</b>		<b>Change</b>
			<b>30-Jul-16</b>	<b>29-Jul-16</b>	
<b>Delhi</b>	Lawrence Road	Mill Delivery	4000	7000	-3000
	Narella	Mill Quality Loose	NA	150	-
	Nazafgarh	Mill Quality Loose	50	150	-100
<b>Gujarat</b>	Rajkot	Mill Quality Loose	600	600	Unch
	Dhrol	Mill Quality Loose	30	NR	-
<b>M.P.</b>	Indore	Mill Quality Loose	2000	2000	Unch
<b>Rajasthan</b>	Kota	Mill Quality	3000	2500	500
<b>U.P.</b>	Kanpur	Mill Quality Loose	NR	9750	-
	Mathura	Mill Quality Loose	150	100	50
	Kosi	Mill Quality Loose	300	300	Unch
	Hathras	Mill Quality Loose	NA	10	-
	Aligarh	Mill Quality Loose	500	400	100
<b>Punjab</b>	Khanna	Mill Quality Loose	200	100	100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Quality Loose	100	200	-100
	Hodal	Mill Quality Loose	70	50	20
	Bhiwani	Mill Quality Loose	400	500	-100
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

<b>Wheat Products Delhi</b>			<b>30-Jul-16</b>	<b>29-Jul-16</b>	<b>Change</b>
Atta (50kg) Ordinary			925	925	Unch
Maida Grade 1 (50KG)			1315	1315	Unch
Suji (50kg)			1365	1365	Unch
Chokar (50 kg)			704	704	Unch

Chokar (34 kg)	478	478	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: 29.7.2016					
Contract Month	Open	High	Low	Close	Change
Sep-16	411.50	412.75	403.50	407.75	-2.50
Dec-16	438.00	440.25	431.25	435.75	-1.50
Mar-17	462.25	464.00	455.50	460.25	-1.75
May-17	475.50	476.00	468.50	473.75	-1.50
Jul-17	482.50	483.50	475.50	480.50	-1.75
Sep-17	494.00	494.75	490.00	492.00	-2.50

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.