Wheat Daily Fundamental Report
03rd August, 2016

Wheat Domestic Fundamentals:

Mixed trend was featured in cash wheat market. Overall tone remains firm as demand *from local millers continues to drag market up.Arrivals have declined and millers dependence on central pool stock has increased. It may continue to lend support cash market at current level.*
All India average wheat price decreased slightly by 0.42 percent to Rs 1792.16 per qtl. *during the week ended 30th July-2016..Wheat average price was ruling at Rs 1799.72 per qtl in the fourth week of July. Arrival continues to decrease and private buyers remain active above Rs 1700-Rs1715 per qtl. All India average price is higher by 7.82 % in comparison to price (Rs 1662.24 per qtl.) registered in the fourth week of July, 2015. Overall trend in cash market is expected to remain steady to slightly firm as demand for wheat products is likely to increase just ahead of festive season.*
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 SriLanka.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.*
Rake loading from Rajasthan to Bangalore is being reported at 2075 per qtl.As *demand continues, prices in domestic market is likely to trade stable to slightly firm despite import and release from central pool stock through various channels.*

International Market Update:

As per USDA, U.S wheat exports at 0.549 MMT (for the period 15th July- 21stJuly, *2016) were up 53 percent from the previous weekand 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 156.5MMT respectively.*

Domestic market Outlook: *Wheat cash market is likely to trade stable to firm in the short term.*

Wheat Futures Contact: NCDEX Price								Date:02.08.2016	
Contract Month	Ch from previous day	Open	High	Low	Close	Vol.	Ch. From previous day	OI	Ch. From previous day
16-Aug	7.00	1722.00	1724.00	1719.00	1724.00	1030	-2120	23730	-1890
16-Sep	4.00	1743.00	1748.00	1741.00	1745.00	760	-1480	7770	510
16-Oct	4.00	1767.00	1772.00	1763.00	1772.00	190	170	840	0

AGRIWATCH

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Spread	Aug-16	Sep-16	Oct-16	
Spot Narella				
16-Aug	74			
16-Sep		21		
16-Oct			27	

Stocks	Demat	In- Process	Total	FED
	01.Aug.16	01.Aug.16	01.Aug.16	01.Aug.16
Delhi	911	0	911	911
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	15056	0	15056	15056
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 02.08.2016

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			2-Aug-16	1-Aug-16	
Delhi	Lawrence Road	Mill Delivery	1760	1760	Unch
	Narella	Mill Quality Loose	1650	1650	Unch
	Nazafgarh	Mill Quality Loose	1670	NR	-
Gujarat	Rajkot	Mill Delivery	1710	1720	-10
	Ahmedabad	Mill Delivery	1860	1860	Unch
	Surat	Mill Delivery	1890	1890	Unch
	Dhrol	Mill Quality Loose	1925	1905	20
M.P.	Indore	Mill Delivery	Closed	1740	-
	Bhopal	Mill Quality Loose	Closed	1700	-
Rajasthan	Kota	Mill Quality Loose	Closed	1660	-
		Mill Delivery	Closed	1750	-
U.P.	Kanpur	Mill Delivery	NR	NR	-
	Mathura	Mill Quality Loose	1600	NA	-
	Kosi	Mill Quality Loose	1600	1600	Unch
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	1580	1600	-20
Punjab	Khanna	Mill Quality Loose	1630	1605	25
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1650	1650	Unch
	Hodal	Mill Delivery	1740	1750	-10
	Bhiwani	Mill Quality Loose	1660	1660	Unch
	Karnal	Mill Delivery	1660	1655	5
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	Closed	2050	-
	Madurai	Mill Quality	Closed	2107	-
	Coimbatore	Mill Quality	Closed	2107	-
Bihar	Khagariya	Mill Delivery	1750	1725	25
	Muzaffarpur	Mill Delivery	1735	1745	-10

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

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			2-Aug-16	1-Aug-16	
Gujarat	Rajkot	Lokwan	2000	2000	Unch
M.P.	Indore	Lokwan	Closed	2100	-
	Bhopal	Lokwan	Closed	1800	-
	Bina	Sarbati 306	Closed	2300	-
Rajasthan	Kota	LokwanBilty	Closed	1800	-
	Baran	Lokwan	1800	1800	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			2-Aug-16	1-Aug-16	
Delhi	Lawrence Road	Mill Delivery	3000	4000	-1000
	Narella	Mill Quality Loose	100	100	Unch
	Nazafgarh	Mill Quality Loose	100	NR	-
Gujarat	Rajkot	Mill Quality Loose	800	900	-100
	Dhrol	Mill Quality Loose	24	17	7
M.P.	Indore	Mill Quality Loose	Closed	1200	-
Rajasthan	Kota	Mill Quality	Closed	3000	-
U.P.	Kanpur	Mill Quality Loose	NR	NR	-
	Mathura	Mill Quality Loose	300	NA	-
	Kosi	Mill Quality Loose	400	200	200
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	200	250	-50
Punjab	Khanna	Mill Quality Loose	200	200	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	50	50	Unch
	Bhiwani	Mill Quality Loose	600	400	200
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	2-Aug-16	1-Aug-16	Change
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: 01.8.2016					
Contract Month	**Open**	**High**	**Low**	**Close**	**Change**
Sep-16	407.75	415.50	404.75	406.00	**-1.75**
Dec-16	434.25	442.00	431.75	433.00	**-2.75**
Mar-17	460.00	466.75	457.50	458.50	**-1.75**
May-17	476.75	480.00	471.00	472.00	**-1.75**
Jul-17	479.50	486.75	478.75	479.75	**-0.75**
Sep-17	494.25	496.25	491.50	491.50	**-0.50**