

Wheat Domestic Fundamentals:

All India average monthly price for wheat increased marginally by 0.57 percent from Rs 1772.53 (in June) to Rs 1782.69 per qtl in July-2016 due to restricted arrivals in markets, active buying by private trades and increasing dependence on central pool stock. Average price (July) is higher by 8.07 percent from the price (Rs 1649.47 per qtl.) registered in July-2015. Festive demand would continue to lend support to cash market. However, continuous release from central pool stock through auction and import would ease tight supply side and may be restrictive to one way uptrend

Wheat import continues and a fourth consignment of 16414.11 thousand T landed on Tuticorin during week ended 31st, July-2016. Wheat has been sourced from Ukraine at an average CiF of 192.08. This year in July total import registered over 50,000tonne in last three weeks from one country-Ukraine. Import is likely to continue as wheat price in Black sea region has decreased to \$158 per tonne.

India exported 157.11tonne wheat during week ended 31st, July, 2016. It decreases considerably from 450 T.. Wheat has been exported at an average price of 460.03 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.

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 Rs 19000 per tonne. So, import is likely to continue.

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- 21st 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. Apanamax 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 \$158 per tonne for wheat having 12.5 percent protein content. However, French wheat export price increased by 4.5 % to \$ 187.5 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.

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

Wheat Futures Contact: NCDEX Price							Date: 04.08.2016		
Contract Month	Ch from previous day	Open	High	Low	Close	Vol.	Ch. From previous day	OI	Ch. From previous day
16-Aug	0.00	1718.00	1724.00	1717.00	1723.00	1250	-610	21480	-970
16-Sep	-6.00	1748.00	1749.00	1740.00	1742.00	1450	730	9020	3270
16-Oct	-4.00	1773.00	1773.00	1764.00	1765.00	30	10	840	0

Spread	Aug-16	Sep-16	Oct-16	
Spot Narela				
16-Aug	53			
16-Sep		19		
16-Oct			23	

Narela remains closed

Stocks	Demat	In- Process	Total	FED
	03.Aug.16	03.Aug.16	03.Aug.16	01.Aug.16
Delhi	911	0	911	911
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	15056	0	15056	15056
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 04.08.2016

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			4-Aug-16	3-Aug-16	
Delhi	Lawrence Road	Mill Delivery	1770	1770	Unch
	Narella	Mill Quality Loose	1670	Closed	-
	Nazafgarh	Mill Quality Loose	1670	Closed	-
Gujarat	Rajkot	Mill Delivery	1690	1700	-10
	Ahmedabad	Mill Delivery	1850	1860	-10
	Surat	Mill Delivery	1880	1900	-20
	Dhrol	Mill Quality Loose	1945	2020	-75
M.P.	Indore	Mill Delivery	1740	1740	Unch
	Bhopal	Mill Quality Loose	1700	1700	Unch
Rajasthan	Kota	Mill Quality Loose	1650	1650	Unch
		Mill Delivery	1750	1750	Unch
U.P.	Kanpur	Mill Delivery	NR	NR	-
	Mathura	Mill Quality Loose	1600	1600	Unch
	Kosi	Mill Quality Loose	1625	1600	25
	Hathras	Mill Quality Loose	1635	1630	5
	Aligarh	Mill Quality Loose	1585	1600	-15
Punjab	Khanna	Mill Quality Loose	1630	1630	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1650	1650	Unch
	Hodal	Mill Delivery	1755	1740	15
	Bhiwani	Mill Quality Loose	1670	1660	10
	Karnal	Mill Delivery	1650	1660	-10
	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	1725	1725	Unch
	Muzaffarpur	Mill Delivery	1730	1730	Unch

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

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			4-Aug-16	3-Aug-16	
Gujarat	Rajkot	Lokwan	1950	2000	-50
M.P.	Indore	Lokwan	2200	2200	Unch
	Bhopal	Lokwan	1800	1800	Unch
	Bina	Sarbati 306	2300	Closed	-
Rajasthan	Kota	LokwanBilty	1800	1800	Unch
	Baran	Lokwan	1825	1825	Unch

Wheat Arrivals in Key Centers:					
Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			4-Aug-16	3-Aug-16	
Delhi	Lawrence Road	Mill Delivery	4000	4000	Unch
	Narella	Mill Quality Loose	200	Closed	-
	Nazafgarh	Mill Quality Loose	200	Closed	-
Gujarat	Rajkot	Mill Quality Loose	1100	700	400
	Dhrol	Mill Quality Loose	6	23	-17
M.P.	Indore	Mill Quality Loose	1000	700	300
Rajasthan	Kota	Mill Quality	2000	3000	-1000
U.P.	Kanpur	Mill Quality Loose	NR	NR	-
	Mathura	Mill Quality Loose	100	250	-150
	Kosi	Mill Quality Loose	350	300	50
	Hathras	Mill Quality Loose	10	60	-50
	Aligarh	Mill Quality Loose	200	300	-100
Punjab	Khanna	Mill Quality Loose	300	200	100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	100	100	Unch
	Bhiwani	Mill Quality Loose	500	600	-100
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi			4-Aug-16	3-Aug-16	Change
Atta (50kg) Ordinary			925	925	Unch
Maida Grade 1 (50KG)			1315	1315	Unch
Suji (50kg)			1365	1365	Unch
Chokar (50 kg)			724	704	20

Chokar (34 kg)	501	478	23
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: 03.8.2016					
Contract Month	Open	High	Low	Close	Change
Sep-16	402.00	415.00	401.00	410.25	9.00
Dec-16	428.00	441.25	427.50	436.25	8.25
Mar-17	454.00	466.75	453.75	462.25	7.75
May-17	469.25	480.00	468.25	475.75	7.00
Jul-17	476.25	487.00	475.75	482.50	6.25
Sep-17	498.00	499.50	495.50	495.50	6.50

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