Wheat Daily Fundamental Report
08th August, 2016

Wheat Domestic Fundamentals:

Wheat cash market may move up from current level as there is a tight supply *side for FAQ varieties despite regular release from central pool through auction. Private trades are not releasing fine variety wheat in anticipation of higher price.Demand for wheat products have increased due to festive season and it may lend support to wheat cash market once again.*
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 SriLanka.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 Rs19000 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:

Wheat Production in France may decrease by 30 % to 29 MMT due to bad weather *condition during flowering and maturity stages. Before this wheat production was registered29.1 MMT in 1986 due to extreme drought.*
IGC has revised wheat production projection up by 6MMT from729 to7235MMT in 28th*,July-2016 for crop year2016-17. According to IGC global wheat production for 2016-17may touch 735 MMT against 729 forecast for 2015-16. The difference is around 6 MMT from previous estimate. Higher projection for wheat may pressurize global wheat market at current level and any major recovery from current level is unlikely.*
Ukraine is offering wheat at $158 per tonnefor 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 156.5MMT respectively.*

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

Wheat Futures Contact: NCDEX Price								Date:05.08.2016	
Contract Month	Ch from previous day	Open	High	Low	Close	Vol.	Ch. From previous day	OI	Ch. From previous day
16-Aug	-12.00	1717.00	1722.00	1711.00	1711.00	1200	-50	21140	-340
16-Sep	-5.00	1738.00	1745.00	1736.00	1737.00	950	-530	9580	560
16-Oct	-1.00	1766.00	1769.00	1766.00	1769.00	40	10	840	0

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Spread	Aug-16	Sep-16	Oct-16	
Spot Narela				
16-Aug	41			
16-Sep		25		
16-Oct			33	

Narela remains closed

Stocks	Demat	In- Process	Total	FED
	05.Aug.16	05.Aug.16	05.Aug.16	01.Aug.16
Delhi	911	0	911	911
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	15056	0	15056	15056
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 06.08.2016

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			6-Aug-16	5-Aug-16	
Delhi	Lawrence Road	Mill Delivery	1775	1775	Unch
	Narella	Mill Quality Loose	1670	1670	Unch
	Nazafgarh	Mill Quality Loose	1670	1680	-10
Gujarat	Rajkot	Mill Delivery	1680	1690	-10
	Ahmedabad	Mill Delivery	1865	1860	5
	Surat	Mill Delivery	1890	1890	Unch
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Delivery	1740	1740	Unch
	Bhopal	Mill Quality Loose	1700	1700	Unch
Rajasthan	Kota	Mill Quality Loose	1670	1650	20
		Mill Delivery	1750	1750	Unch
U.P.	Kanpur	Mill Delivery	1755	1755	Unch
	Mathura	Mill Quality Loose	1610	1600	10
	Kosi	Mill Quality Loose	1630	1625	5
	Hathras	Mill Quality Loose	1625	1625	Unch
	Aligarh	Mill Quality Loose	1600	1585	15
Punjab	Khanna	Mill Quality Loose	1630	1610	20
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	NR	1650	-
	Hodal	Mill Delivery	1755	1755	Unch
	Bhiwani	Mill Quality Loose	1660	1660	Unch
	Karnal	Mill Delivery	1650	1650	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	1725	1730	-5

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

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			6-Aug-16	5-Aug-16	
Gujarat	Rajkot	Lokwan	2000	1950	50
M.P.	Indore	Lokwan	2200	2200	Unch
	Bhopal	Lokwan	1800	1800	Unch
	Bina	Sarbati 306	2300	2200	100
Rajasthan	Kota	LokwanBilty	1800	1800	Unch
	Baran	Lokwan	1830	1825	5

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			6-Aug-16	5-Aug-16	
Delhi	Lawrence Road	Mill Delivery	4500	3500	1000
	Narella	Mill Quality Loose	150	250	-100
	Nazafgarh	Mill Quality Loose	100	100	Unch
Gujarat	Rajkot	Mill Quality Loose	400	350	50
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Quality Loose	1000	1000	Unch
Rajasthan	Kota	Mill Quality	5000	2000	3000
U.P.	Kanpur	Mill Quality Loose	NR	9000	-
	Mathura	Mill Quality Loose	150	100	50
	Kosi	Mill Quality Loose	300	400	-100
	Hathras	Mill Quality Loose	10	200	-190
	Aligarh	Mill Quality Loose	300	200	100
Punjab	Khanna	Mill Quality Loose	200	200	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	NR	200	-
	Hodal	Mill Quality Loose	150	100	50
	Bhiwani	Mill Quality Loose	700	200	500
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	6-Aug-16	5-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	724	Unch

Chokar (34 kg)	501	501	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: 05.8.2016					
Contract Month	**Open**	**High**	**Low**	**Close**	**Change**
Sep-16	403.25	418.50	403.00	416.00	**12.75**
Dec-16	429.50	442.50	429.50	438.00	**7.50**
Mar-17	458.00	467.00	455.00	459.75	**2.75**
May-17	470.25	479.00	467.75	472.50	**2.00**
Jul-17	477.50	485.25	474.75	479.75	**2.25**
Sep-17	492.75	499.25	489.25	494.25	**2.75**