

Wheat Domestic Fundamentals:

Wheat stock in central pool is almost 25.28% lower than stock registered in Aug-2015. As on 1st August-2016 wheat stock in central pool was registered at 268.79 lakh tonne. It was 301.81 lakh tonne in July-2016. Major portion of wheat stock is available in north zone where 202 lakh tonne wheat was registered in stock. South zone has 54.18 lakh tonne wheat. North zone includes Haryana, Punjab and Rajasthan while south zone includes Gujarat, Maharashtra, M.P and Chhatisgarh.

Offtake in June was registered at 24.57 lakh tonne while in July 33.02 lakh tonne wheat was lifted. It is much higher than offtake June, July 2015 when around 17 and 17.6 lakh tonne wheat was lifted. As cash market is facing short supply, dependence on central pool stock would increase. It would push wheat price up in coming weeks.

All India average wheat price could not sustain at higher level and decreased by 1.75 percent to Rs 1767.78 per qtl. during the week ended 13th August-2016. Wheat average price was ruling at Rs 1798.98 per qtl in the first week of August. All India average price is higher by 4.70 % in comparison to price (Rs 1688.37 per qtl.) registered in the second week of August, 2015. Overall trend in cash market is expected to remain steady to slightly firm as demand for wheat products is likely to increase ahead of festive season.

India exported 577 tonne wheat during week ended 6th, August-2016 from Mundra and Cochin port. Major buyers were Qatar, UAE, Thailand and UK. Wheat has been exported at an average FoB of \$294.40 per tonne. Wheat export increased by 267 percent last week from 257.11 to 577 tonne. As parity is not in favor of Indian exporters, export volume would remain negligible in coming weeks. India managed to export total 20,000 tonne wheat in current MY till 6th Aug-2016.

India imported 30,100.04 tonne wheat from Australia in the week ended 6th August-2016. The average CIF price has been registered at \$224.46 per tonne. Before this four shipments at Cochin port were reported in July from Ukraine having 11,000, 18,495.57, 5000 & 16,414.11 tonne in four weeks of July -2016. Average price for these consignment was registered at \$191.94 per tonne. Total 50,910 tonne was imported in July. August started with 30,100.04 tonne import. Total import has crossed 80,000 T in current MY.

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:

Australia is heading towards a bumper wheat crop to be harvested in October. Experts have estimated around 27.2 MMT wheat crop in 2016-17. It has started affecting wheat FoB quote in Australia and it has touched at \$206.5 per T for premium white wheat in western Australia. It is the lowest price after 2009. For December/January delivery new crop is being offered at \$208/210 per tonne at western Australian port. Buyers have showed interest at \$200 per tonne. Russia is offering wheat having 12.5 % protein content at \$174 per Tonne. Lower crop size in Europe has supported wheat price in Russia to some extent.

IGC has revised wheat production projection up by 6MMT from 729 to 735 MMT in 28th, July-2016 for crop year 2016-17. According to IGC global wheat production for 2016-17 may 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 tonne for wheat having 12.5 percent protein content. However, French wheat export price increased by 4.5 % to \$ 187.5 per tonne.

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

Wheat Futures Contact: NCDEX Price							Date: 17.08.2016		
Contract Month	Ch from previous day	Open	High	Low	Close	Vol.	Ch. From previous day	OI	Ch. From previous day
16-Aug	-10	1710.00	1713.00	1710.00	1711.00	380	210	880	-1330
16-Sep	-2	1735.00	1735.00	1727.00	1730.00	670	-940	19,510	-185
16-Oct	-11	1755.00	1755.00	1752.00	1753.00	70	-180	8510	510

Spread	Aug-16	Sep-16	Oct-16	
Spot Narela	closed			
16-Aug				
16-Sep				
16-Oct				

Stocks	Demat	In- Process	Total	FED
	16.Aug.16	16.Aug.16	16.Aug.16	13.Aug.16
Delhi	342	0	342	352
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	13375	0	13375	13375
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 17.08.2016

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			17-Aug-16	16-Aug-16	
Delhi	Lawrence Road	Mill Delivery	1795	1795	Unch
	Narella	Mill Quality Loose	Closed	1725	-
	Nazafgarh	Mill Quality Loose	Closed	1700	-
Gujarat	Rajkot	Mill Delivery	1705	1700	5
	Ahmedabad	Mill Delivery	1870	1870	Unch
	Surat	Mill Delivery	1900	1900	Unch
	Dhrol	Mill Quality Loose	1905	2080	-175
M.P.	Indore	Mill Delivery	1750	1750	Unch
	Bhopal	Mill Quality Loose	1700	1710	-10
Rajasthan	Kota	Mill Quality Loose	1650	1650	Unch
		Mill Delivery	1740	1740	Unch
U.P.	Kanpur	Mill Delivery	1725	1735	-10
	Mathura	Mill Quality Loose	1610	1615	-5
	Kosi	Mill Quality Loose	1655	1640	15
	Hathras	Mill Quality Loose	1630	1635	-5
	Aligarh	Mill Quality Loose	1650	1600	50
Punjab	Khanna	Mill Quality Loose	1630	1630	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1655	1655	Unch
	Hodal	Mill Delivery	1795	1805	-10
	Bhiwani	Mill Quality Loose	1670	1670	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	1700	1700	Unch
	Muzaffarpur	Mill Delivery	1725	1725	Unch

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

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			17-Aug-16	16-Aug-16	
Gujarat	Rajkot	Lokwan	2050	2000	50
M.P.	Indore	Lokwan	2200	2200	Unch
	Bhopal	Lokwan	1800	1850	-50
	Bina	Sarbati 306	Closed	2200	-
Rajasthan	Kota	LokwanBilty	1800	1800	Unch
	Baran	Lokwan	1825	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			17-Aug-16	16-Aug-16	
Delhi	Lawrence Road	Mill Delivery	4000	6000	-2000
	Narella	Mill Quality Loose	Closed	400	-
	Nazafgarh	Mill Quality Loose	Closed	300	-
Gujarat	Rajkot	Mill Quality Loose	900	900	Unch
	Dhrol	Mill Quality Loose	41	35	6
M.P.	Indore	Mill Quality Loose	1000	700	300
Rajasthan	Kota	Mill Quality	2000	4000	-2000
U.P.	Kanpur	Mill Quality Loose	10000	9800	200
	Mathura	Mill Quality Loose	350	200	150
	Kosi	Mill Quality Loose	400	500	-100
	Hathras	Mill Quality Loose	200	NA	-
	Aligarh	Mill Quality Loose	300	100	200
Punjab	Khanna	Mill Quality Loose	300	300	Unch
	(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	400	100
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi			17-Aug-16	16-Aug-16	Change
Atta (50kg) Ordinary			935	935	Unch
Maida Grade 1 (50KG)			1330	1330	Unch
Suji (50kg)			1365	1365	Unch
Chokar (50 kg)			724	724	Unch

Chokar (34 kg)	501	501	Unch
Chakki Atta (50kg)	1010	1010	Unch
Chakki Atta (50kg) Special	1085	1085	Unch
Chakki Atta (90kg) Superfine	1952	1952	Unch
Chakki Atta (50kg) Superfine	1070	1070	Unch

Wheat (CBOT) Future Price: 16.8.2016					
Contract Month	Open	High	Low	Close	Change
Sep-16	420.00	428.00	414.50	423.50	1.50
Dec-16	435.75	443.00	432.25	439.50	1.25
Mar-17	455.50	461.50	452.00	457.75	1.50
May-17	466.00	473.00	464.50	469.50	2.00
Jul-17	475.00	480.75	473.00	477.50	2.25
Sep-17	486.50	493.25	485.75	490.50	2.25

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