AGRIWATCH

Wheat Daily Fundamental Report
22th August, 2016

Wheat Domestic Fundamentals:

***Wheat cash market traded mixed and likely to trade steady to slightly** weak. However, medium term outlook remains firm.There is a short supply of milling quality wheat in open market and release from central pool through auction is not sufficient to meet entire demand. 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.*

***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 at268.79 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 oftake June ,July 2015 when around 17 and 17.6 lakh tonne wheat was lifted.As cash market is facing short supply,dependance 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, Thiland 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, 18495.57,5000 & 16414.11 tonne in four weeks of July -2016.Average price for these consignment was registered at $191.94 per tonne.Total 50910 tonne was imported in July. August started with 30100.04 tonneimport.Total import has cossed 80,000 T in current MY.*

International Market Update:

As per latest update by Russian Agriculture Ministry it has proposed to reduce a floating export tax to zero untill 1st July, 2017.It has affected trades hope who had expected the ministry to propose cancelling altogether the tax mechanism, which is at a minimum level of 10 rubles ($0.16) per ton now but could rise if the rouble currency declines.

With drying supply from India and higher local price flour millers in B,desh have started sourcing wheat from Black Sea Region. Millers have booked around 8 lakh tonne wheat for delivery from August to October-2016.It is higher by around 6 lakh tonne in corresponding period last year. Buyers have paid $155 to $168 per tonne free on board for wheat having 10.5 % protein content. Australia is heading towards a bumber wheat crop to be harvested in October. Experts have estimated around 27.2 MMT wheat crop in 2016-17.

This year Russia and Ukraine are going to receive bumper wheat crop due to favorable weather and higher yield. Prices too are comparatively lower and it has attracted global buyers. Russia and Ukraine are likely to have crop size of 70 and 26 MMT respectively this year.

***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*

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

Wheat Futures Contact: NCDEX Price								Date:19.08.2016	
Contract Month	Ch from previous day	Open	High	Low	Close	Vol.	Ch. From previous day	OI	Ch. From previous day
16-Aug	-1	1741.00	1749.00	1740.00	1740.00	270	-110	730	-150
16-Sep	6	1756.00	1763.00	1752.00	1757.00	3220	1940	20360	605
16-Oct	11	1781.00	1787.00	1778.00	1784.00	1170	980	2150	1175

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Spread	Aug-16	Sep-16	Oct-16	
Spot Narela				
16-Aug	20			
16-Sep		17		
16-Oct			27	

Stocks	Demat	In- Process	Total	FED
	19.Aug.16	19.Aug.16	19.Aug.16	13.Aug.16
Delhi	342	0	342	352
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	13375	0	13375	13375
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 20.08.2016

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			20-Aug-16	19-Aug-16	
Delhi	Lawrence Road	Mill Delivery	1820	1810	10
	Narella	Mill Quality Loose	1715	1720	-5
	Nazafgarh	Mill Quality Loose	1720	1710	10
Gujarat	Rajkot	Mill Delivery	1720	1725	-5
	Ahmedabad	Mill Delivery	1860	1870	-10
	Surat	Mill Delivery	1900	1900	Unch
	Dhrol	Mill Quality Loose	1850	1995	-145
M.P.	Indore	Mill Delivery	1800	1800	Unch
	Bhopal	Mill Quality Loose	1700	1700	Unch
Rajasthan	Kota	Mill Quality Loose	1700	1700	Unch
		Mill Delivery	1785	1750	35
U.P.	Kanpur	Mill Delivery	1740	1725	15
	Mathura	Mill Quality Loose	1610	1610	Unch
	Kosi	Mill Quality Loose	1650	1655	-5
	Hathras	Mill Quality Loose	NR	1630	-
	Aligarh	Mill Quality Loose	1600	1600	Unch
Punjab	Khanna	Mill Quality Loose	1630	1630	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1665	1660	5
	Hodal	Mill Delivery	1785	1795	-10
	Bhiwani	Mill Quality Loose	1670	1670	Unch
	Karnal	Mill Delivery	1660	1655	5
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2060	2050	10
	Madurai	Mill Quality	2117	2107	10
	Coimbatore	Mill Quality	2117	2107	10
Bihar	Khagariya	Mill Delivery	1700	1700	Unch
	Muzaffarpur	Mill Delivery	1750	1750	Unch

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

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			20-Aug-16	19-Aug-16	
Gujarat	Rajkot	Lokwan	2000	2000	Unch
M.P.	Indore	Lokwan	2200	2200	Unch
	Bhopal	Lokwan	1850	1800	50
	Bina	Sarbati 306	Closed	Closed	-
Rajasthan	Kota	LokwanBilty	1850	1850	Unch
	Baran	Lokwan	1820	1825	-5

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			20-Aug-16	19-Aug-16	
Delhi	Lawrence Road	Mill Delivery	5000	4000	1000
	Narella	Mill Quality Loose	200	150	50
	Nazafgarh	Mill Quality Loose	125	150	-25
Gujarat	Rajkot	Mill Quality Loose	500	600	-100
	Dhrol	Mill Quality Loose	32	41	-9
M.P.	Indore	Mill Quality Loose	500	500	Unch
Rajasthan	Kota	Mill Quality	1000	1000	Unch
U.P.	Kanpur	Mill Quality Loose	9850	NR	-
	Mathura	Mill Quality Loose	125	NA	-
	Kosi	Mill Quality Loose	400	300	100
	Hathras	Mill Quality Loose	NR	200	-
	Aligarh	Mill Quality Loose	300	100	200
Punjab	Khanna	Mill Quality Loose	NA	300	-
	(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	400	200	200
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	20-Aug-16	19-Aug-16	Change
Atta (50kg) Ordinary	945	945	Unch
Maida Grade 1 (50KG)	1330	1330	Unch
Suji (50kg)	1380	1380	Unch
Chokar (50 kg)	734	734	Unch

Chokar (34 kg)	507	507	Unch
Chakki Atta (50kg)	1000	1000	Unch
Chakki Atta (50kg) Special	1050	1050	Unch
Chakki Atta (90kg) Superfine	1942	1942	Unch
Chakki Atta (50kg) Superfine	1060	1060	Unch

Wheat (CBOT) Future Price: 19.8.2016					
Contract Month	**Open**	**High**	**Low**	**Close**	**Change**
Sep-16	426.25	432.50	422.50	427.00	**Unch**
Dec-16	443.00	449.25	439.50	444.75	**0.50**
Mar-17	462.00	467.25	458.50	464.00	**1.50**
May-17	473.25	479.75	471.00	477.25	**2.50**
Jul-17	481.75	488.25	479.75	485.50	**2.50**
Sep-17	497.00	500.00	495.50	499.00	**2.75**