

Wheat Domestic Fundamentals:

All India average wheat price increased by 0.67 percent to Rs 1801.65 per qtl. during the week ended 19th August-2016..Wheat average price was ruling at Rs 1789.6 per qtl in the third week of August..All India average price is higher by 8 % in comparison to price (Rs 1668.1 per qtl.) registered in the third 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.

Wheat cash market trades stable and may trade firm in coming weeks as there is a short supply of FAQ varieties. Release from central pool stock is not sufficient to fulfill exiting demand. South Indian millers are sourcing wheat from from central India. Rake loading for Bangalore is being reported at Rs 2100 per qtl.

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.

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, 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 crossed 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 until 1st July, 2017. It has affected traders 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 bumper 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 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

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

Wheat Futures Contract: NCDEX Price							Date:22.08.2016		
Contract Month	Ch from previous day	Open	High	Low	Close	Vol.	Ch. From previous day	OI	Ch. From previous day
16-Sep	-8	1755.00	1761.00	1748.00	1759.00	2590	-640	20880	505
16-Oct	-9	1782.00	1789.00	1775.00	1775.00	1050	-80	2820	320
16-Nov	-	-	-		-	-	-	-	-

Spread	Sep-16	Oct-16	Nov-16	
Spot Narela				
16-Sep	-1			
16-Oct		16		
16-Nov				

Stocks	Demat	In- Process	Total	FED
	20.Aug.16	20.Aug.16	20.Aug.16	13.Aug.16
Delhi	342	0	342	352
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	13375	0	13375	13375
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 22.08.2016

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			22-Aug-16	20-Aug-16	
Delhi	Lawrence Road	Mill Delivery	1820	1820	Unch
	Narela	Mill Quality Loose	1760	1715	45
	Nazafgarh	Mill Quality Loose	1721	1720	1
Gujarat	Rajkot	Mill Delivery	Closed	1720	-
	Ahmedabad	Mill Delivery	1870	1860	10
	Surat	Mill Delivery	1900	1900	Unch
	Dhrol	Mill Quality Loose	NR	1850	-
M.P.	Indore	Mill Delivery	1800	1800	Unch
	Bhopal	Mill Quality Loose	1750	1700	50
Rajasthan	Kota	Mill Quality Loose	1700	1700	Unch
		Mill Delivery	1785	1785	Unch
U.P.	Kanpur	Mill Delivery	1725	1740	-15
	Mathura	Mill Quality Loose	1620	1610	10
	Kosi	Mill Quality Loose	1645	1650	-5
	Hathras	Mill Quality Loose	NR	NR	-
	Aligarh	Mill Quality Loose	1650	1600	50
Punjab	Khanna	Mill Quality Loose	1620	1630	-10
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1665	1665	Unch
	Hodal	Mill Delivery	1785	1785	Unch
	Bhiwani	Mill Quality Loose	1675	1670	5
	Karnal	Mill Delivery	1655	1660	-5
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2060	2060	Unch
	Madurai	Mill Quality	2117	2117	Unch
	Coimbatore	Mill Quality	2117	2117	Unch
Bihar	Khagariya	Mill Delivery	1750	1700	50
	Muzaffarpur	Mill Delivery	1750	1750	Unch

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

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			22-Aug-16	20-Aug-16	
Gujarat	Rajkot	Lokwan	Closed	2000	-
M.P.	Indore	Lokwan	2200	2200	Unch
	Bhopal	Lokwan	1900	1850	50
	Bina	Sarbati 306	2200	Closed	-
Rajasthan	Kota	LokwanBilty	1850	1850	Unch
	Baran	Lokwan	1850	1820	30

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			22-Aug-16	20-Aug-16	
Delhi	Lawrence Road	Mill Delivery	9000	5000	4000
	Narella	Mill Quality Loose	300	200	100
	Nazafgarh	Mill Quality Loose	100	125	-25
Gujarat	Rajkot	Mill Quality Loose	Closed	500	-
	Dhrol	Mill Quality Loose	NR	32	-
M.P.	Indore	Mill Quality Loose	700	500	200
Rajasthan	Kota	Mill Quality	1000	1000	Unch
U.P.	Kanpur	Mill Quality Loose	10500	9850	650
	Mathura	Mill Quality Loose	50	125	-75
	Kosi	Mill Quality Loose	500	400	100
	Hathras	Mill Quality Loose	NR	NR	-
	Aligarh	Mill Quality Loose	250	300	-50
Punjab	Khanna	Mill Quality Loose	300	NA	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	100	200	-100
	Hodal	Mill Quality Loose	100	100	Unch
	Bhiwani	Mill Quality Loose	300	400	-100
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi			22-Aug-16	20-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

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