

Wheat Domestic Fundamentals:

With a aim to curb hoarding by bulk buyers/consumers FCI has restricted upper limit of wheat quantity from 5000 T to 500 tonne only in a single e-auction under OMSS. There is a apprehension that hoarding by big players/consumers may influence wheat price in open market. Wheat price in major bench mark market has increased in the range of 15 to 18 percent from April-2016.It has started affecting prices for wheat products now. This year stock with Govt is lower due to lower crop and procurement size and it may touch eight years low by March-2017 end.

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 Chhattisgarh.

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 tonne import. Total import has crossed 80,000 T in current MY.

International Market Update:

Soft Wheat export(Outside EU) from France is expected to decline considerably from 12.5(last Year to 4.8MMT in 2016-17.Wheat production in France has declined by 28 % this year due to bad weather. Its soft wheat export in EU too is likely to decline7.5 to 6.5 MMT this year.Thus total export may decline by 40 % to 11.5 MMT .Wheat production in France is expected to decline from40.9 to 29.5 MMT this year.

Farmers in Russia/Ukraine have started retaining wheat having higher protein content as they have analysed the emerging scenario in global wheat market. Around 30 % crop loss in France and buyers turning to Russia/Ukraine for sourcing wheat have encouraged local price in black sea region. In Ukraine, prices for wheat with 12.5 percent protein content rose 1.2 percent from a week earlier to \$172.5 a ton. It is \$166 per tonne for wheat having 11.5 % protein content. Wheat price in Black Sea Region is expected to hover in the range of \$165 to \$175 per tonne in coming weeks.

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:23.08.2016		
Contract Month	Ch from previous day	Open	High	Low	Close	Vol.	Ch. From previous day	OI	Ch. From previous day
16-Sep	2	1753.00	1762.00	1750.00	1752.00	2530	-60	20720	-140
16-Oct	0	1783.00	1784.00	1776.00	1780.00	410	-60	2870	50
16-Nov	-	-	-		-	-	-	-	-

Spread	Sep-16	Oct-16	Nov-16	
Spot Narela				
16-Sep	8			
16-Oct		26		
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 23.08.2016

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			23-Aug-16	22-Aug-16	
Delhi	Lawrence Road	Mill Delivery	1815	1820	-5
	Narella	Mill Quality Loose	1765	1760	5
	Nazafgarh	Mill Quality Loose	1720	1721	-1
Gujarat	Rajkot	Mill Delivery	Closed	Closed	-
	Ahmedabad	Mill Delivery	Closed	1870	-
	Surat	Mill Delivery	Closed	1900	-
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Delivery	1800	1800	Unch
	Bhopal	Mill Quality Loose	1750	1750	Unch
Rajasthan	Kota	Mill Quality Loose	1700	1700	Unch
		Mill Delivery	1785	1785	Unch
U.P.	Kanpur	Mill Delivery	1725	1725	Unch
	Mathura	Mill Quality Loose	1610	1620	-10
	Kosi	Mill Quality Loose	1645	1645	Unch
	Hathras	Mill Quality Loose	NR	NR	-
	Aligarh	Mill Quality Loose	1620	1650	-30
Punjab	Khanna	Mill Quality Loose	1635	1620	15
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1670	1665	5
	Hodal	Mill Delivery	1810	1785	25
	Bhiwani	Mill Quality Loose	1700	1675	25
	Karnal	Mill Delivery	1655	1655	Unch
	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	1750	Unch
	Muzaffarpur	Mill Delivery	1750	1750	Unch

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

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

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			23-Aug-16	22-Aug-16	
Delhi	Lawrence Road	Mill Delivery	7000	9000	-2000
	Narella	Mill Quality Loose	300	300	Unch
	Nazafgarh	Mill Quality Loose	200	100	100
Gujarat	Rajkot	Mill Quality Loose	Closed	Closed	-
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Quality Loose	700	700	Unch
Rajasthan	Kota	Mill Quality	1000	1000	Unch
U.P.	Kanpur	Mill Quality Loose	NA	10500	-
	Mathura	Mill Quality Loose	300	50	250
	Kosi	Mill Quality Loose	500	500	Unch
	Hathras	Mill Quality Loose	NR	NR	-
	Aligarh	Mill Quality Loose	500	250	250
Punjab	Khanna	Mill Quality Loose	300	300	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	100	100
	Hodal	Mill Quality Loose	100	100	Unch
	Bhiwani	Mill Quality Loose	600	300	300
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi			23-Aug-16	22-Aug-16	Change
Atta (50kg) Ordinary			965	945	20
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

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php> © 2016 Indian Agribusiness Systems Pvt Ltd.