

### Wheat Domestic Fundamentals:

**Mix trend continued to prevail in the cash market amid fear of revision in import duty.** Market participants have close eye on govt's decision. If duty is revised down, cash market in north and central India would decrease as demand from south Indian millers for domestic market may get affected. So decision on import duty would decide price direction for wheat market.

**All India average wheat price continued its descending trend and decreased by 1.37 percent to Rs 1796.12 per qtl.** during the week ended 10th Sept-2016. Wheat average price was ruling at Rs 1668.14 per qtl in the first week of Sept-2015. All India average price is higher by 7.67 % in comparison to price (Rs 1668.14 per qtl.) registered in the first week of Sept, 2015. Overall trend in cash market is expected to remain steady to slightly weak as govt. may revise wheat import duty from 25% to 15 % in Sept.-2016. It would pressurize inner tone in the market. If duty is not revised, steady to firm sentiment may continue.

**Pressure continues on wheat cash market as domestic players are awaiting decision on import duty.** Market may continue to trade steady to weak until decision over duty gets clear. If duty is revised down cash market is likely to move down as higher volume of import may affect wheat demand from south India and it would turn inner tone in bear's favor. So all eyes are on decision on duty that will determine price direction of the market.

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**India imported around 74,000 tonne wheat from Australia and Ukraine last week till 4th Sept-2016** at an average CiF of \$228.98 per tonne. Around 10,000 tonne has been imported from Ukraine at an average CiF of \$193.21 per tonne and it landed at Tuticorin port. Mostly Australian wheat has landed at Tuticorin port at an average CiF of \$244.58 per tonne and it landed at Tuticorin port. One consignment of 10,000 T Australian wheat landed at Cochin sea at an average CiF of \$ 249.15 per tonne. More vessels are expected in Sept. Players are waiting for revision in duty and no fresh deal has been reported this week. Total import in current marketing year has crossed 3.48 lakh tonne.

**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.

**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.

### International Market Update:

**Wheat stockpiles in Canada has decreased sharply in comparison to last year.** However, it has not declined as much as expected at this point of time. A report from Statistics Canada shows this. It has pegged wheat stock at 5.2 MMT by the end July-2016. It is down by 27 % from last year. However, it is higher by trade estimate of 4.29 MMT. The main reason behind higher stock is higher retention at farm level. Canada is a major wheat exporter.

**Russia deputy agriculture minister Jambulat Khaturon in his latest statement has said that country would abolish export duty on wheat by July 2018.** Russia had imposed export duty on wheat in Feb-2015 to stabilize grain price in local market. Under current duty effective from 1st October 2015 exporters have to pay amounts to 50 % of the customs value minus 6500 rubles per metric tonne with a condition that it would not be less than 10 rubles per metric tonnes.

**IGC has revised wheat production projection up by 8 MMT from 735 MMT to 743 MMT on 25th Aug-2016 for crop year 2016-17.** According to IGC global wheat production for 2016-17 may touch 743 MMT against 736 forecast for 2015-16.

**Outlook:** Cash market is expected to trade steady to weak in the near term

Wheat Futures Contact: NCDEX Price							Date: 14.09.2016		
Contract Month	Ch from previous day	Open	High	Low	Close	Vol.	Ch. From previous day	OI	Ch. From previous day
16-Sep	+55	1725	1780	1725	1775	1880	210	2940	-940
16-Oct	+10	1727	1741	1727	1735	1840	-3,850	16160	380
16-Nov	+11	1760	1760	1755	1760	130	-110	410	370

Spread	Sep-16	Oct-16	Nov-16	
Spot Narela				
16-Sep	-			
16-Oct		40		
16-Nov			-25	

Stocks	Demat	In- Process	Total	FED
	13.Sep.16	13.Sep.16	13.Sep.16	13.Sep.16
Delhi	342	0	342	342
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	12680	0	12680	12680
Rajkot	-	-	-	-

### Wheat Daily Prices and Arrivals on 14.09.2016

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			14-Sep-16	13-Sep-16	
Delhi	Lawrence Road	Mill Delivery	1820	1830	-10
	Narella	Mill Quality Loose	Closed	1740	-
	Nazafgarh	Mill Quality Loose	Closed	1725	-
Gujarat	Rajkot	Mill Delivery	1735	1720	15
	Ahmedabad	Mill Delivery	1870	1865	5
	Surat	Mill Delivery	1910	1910	Unch
	Dhrol	Mill Quality Loose	1895	NR	-
M.P.	Indore	Mill Delivery	1750	1750	Unch
	Bhopal	Mill Quality Loose	1700	Closed	-
Rajasthan	Kota	Mill Quality Loose	1670	Closed	-
		Mill Delivery	1750	Closed	-
U.P.	Kanpur	Mill Delivery	1725	1740	-15
	Mathura	Mill Quality Loose	1625	1640	-15
	Kosi	Mill Quality Loose	1660	1670	-10
	Hathras	Mill Quality Loose	1660	1660	Unch
	Aligarh	Mill Quality Loose	1630	1675	-45
Punjab	Khanna	Mill Quality Loose	1620	1650	-30
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1665	1665	Unch
	Hodal	Mill Delivery	1800	1815	-15
	Bhiwani	Mill Quality Loose	1715	1715	Unch
	Karnal	Mill Delivery	1675	1675	Unch
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2050	Closed	-
	Madurai	Mill Quality	2107	Closed	-
	Coimbatore	Mill Quality	2107	Closed	-
Bihar	Khagariya	Mill Delivery	1750	1750	Unch
	Muzaffarpur	Mill Delivery	1940	1800	140

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

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			14-Sep-16	13-Sep-16	
Gujarat	Rajkot	Lokwan	2000	2000	Unch
M.P.	Indore	Lokwan	2200	2200	Unch
	Bhopal	Lokwan	1850	Closed	-
	Bina	Sarbati 306	Closed	Closed	-
Rajasthan	Kota	LokwanBilty	1900	Closed	-
	Baran	Lokwan	1800	Closed	-

### Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			14-Sep-16	13-Sep-16	
Delhi	Lawrence Road	Mill Delivery	3000	4000	-1000
	Narella	Mill Quality Loose	Closed	150	-
	Nazafgarh	Mill Quality Loose	Closed	250	-
Gujarat	Rajkot	Mill Quality Loose	900	900	Unch
	Dhrol	Mill Quality Loose	50	NR	-
M.P.	Indore	Mill Quality Loose	1200	1000	200
Rajasthan	Kota	Mill Quality	3000	Closed	-
U.P.	Kanpur	Mill Quality Loose	10000	NR	-
	Mathura	Mill Quality Loose	200	100	100
	Kosi	Mill Quality Loose	700	600	100
	Hathras	Mill Quality Loose	30	NA	-
	Aligarh	Mill Quality Loose	300	250	50
Punjab	Khanna	Mill Quality Loose	500	500	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	50	100	-50
	Bhiwani	Mill Quality Loose	500	400	100
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi			14-Sep-16	13-Sep-16	Change
Atta (50kg) Ordinary			975	975	Unch
Maida Grade 1 (50KG)			1330	1330	Unch
Suji (50kg)			1380	1380	Unch
Chokar (50 kg)			744	744	Unch

Chokar (34 kg)	510	510	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: 13.9.2016					
Contract Month	Open	High	Low	Close	Change
Sep-16	383.00	383.00	374.75	374.75	-8.50
Dec-16	409.25	411.00	399.00	401.00	-8.25
Mar-17	429.75	431.25	419.75	421.75	-8.25
May-17	445.75	445.75	434.75	436.50	-8.25
Jul-17	455.00	455.75	444.50	446.50	-8.50
Sep-17	466.00	466.00	459.75	460.00	-8.50

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