

Wheat Domestic Fundamentals:

India imported around 149842 tonne wheat from Australia, Ukraine, France and Moldova last week till 06th Nov-2016 at an average CIF of \$217.39 per tonne. Around 57241 tonne has been imported from Australia at an average CIF of \$245.17 per tonne, 91358 tonnes of Ukraine wheat at an average CIF of \$199.45 per tonne and a small quantity of 1000 tonnes and 243 tonnes has arrived from France and Moldova at an average CIF of \$223.396 and \$224.72 per tonne.

According to latest update, export of wheat has been very low compared to last week. In the week (31 Oct-06 November) the exports were around 38.52 metric tonnes compared to 889.53 metric tonnes in the week 24-30 October. The said quantity was exported at an average FOB of \$ 396.18 per tonne and the major destinations were UAE, UK, Qatar and Jordan. Total export till 06th Nov-2016 since 4th April was registered around 26424 tonne. Export window remained restricted due to disparity.

Election in two major wheat producing states-Punjab and Uttar Pradesh early next year may encourage centre to hike wheat MSP by Rs 100 per qtl. from Rs 1525 to Rs 1625 per qtl. for 2016-17. It would be 6.5 percent higher from last year (Rs 1525). Centre can't give more than Rs 100 per qtl. hike as inflation still remains the cause for concern. Generally govt. accepts recommendation of CACP.. and its recommendation is Rs 75 per qtl.

As wheat prices are not decreasing even after revision of import duty from 25% to 10% centre has decided to release one million tonne of wheat in the open market to keep prices of wheat in check. FCI has sold around 29.8 lakh tonnes wheat under OMSS during April to October. The bulk quantity has been purchased by private players under OMSS. The sales under OMSS rallied from June and are still continuing, wheat has been sold at Rs 1640 per quintal plus freight charges.

All India weekly average prices increased by 0.73 percent to Rs. 1838.95 per quintal during the week ended 31st October 2016. Wheat average price were ruling at Rs 1825.66 per quintal during 24-31st October 2016. As compared to prices in the week 24-31st October 2015, the prices are firm by 3.41 percent. Prices are expected to remain range bound to slightly firm in coming days.

Rake loading from Kota region of Rajasthan to South India is being reported at Rs 2100/2110 per qtl. despite smooth flow of imported wheat from various destination. Agriwatch expects steady to slightly weak tone to continue as cash crunch may affect normal trade.

International Market Update:

According to Ukrainian official statistics, wheat stocks are down by 16 percent to 14.48 MMT as on 1st October'16 compared to 17.18 MMT for tons for the same date last year. Wheat stocks are down on account of higher exports in the current season. In the months (July-September) of 2016/17 wheat exports were 13 percent (6.18 MMT) higher compared to the same period for 2015/16.

Egypt has introduced new wheat inspection system which may lead to lower prices. The GOEIC will be the sole body responsible for wheat inspections at shipping and arrival ports. After application of new system inspection costs is likely to be cut by half and traders will be allowed to discharge their cargo in bonded warehouses even before receiving approval.

According to Kazakh statistics committee, stocks of wheat have increased by 8 percent to 11.74 MMT compared to 2015. This included 10.42 MMT of milling wheat, 596.5 KMT of feed wheat and 724.6 KMT for seeds. Furthermore milling wheat export prices have also strengthened for Kazakh on account of increased demand from exporters, strong national currency and increase in milling wheat prices in black sea region. Therefore in the past week 12.5% wheat export prices increased by US \$8-10 to US \$172-178/MT FoB Aktau port.

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

Wheat Futures Contract: NCDEX Price							Date:11.11.2016		
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
16-Nov	-51	1976	1981	1931	1931	2020	-570	1050	-1,700
16-Dec	-22	2022	2025	1995	2005	4110	2,280	11400	100
17-Jan	+8	2020	2039	2005	2038	880	840	1160	400

Spread	Nov-16	Dec-16	Jan-17	
Spot Narela				
16-Nov	69			
16-Dec		-74		
17-Jan			-33	

Stocks	Demat	In- Process	Total	FED
	10.Nov.16	10.Nov.16	10.Nov.16	7.Nov.16
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	5100	750	5850	4801
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 11.11.2016

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			11-Nov-16	10-Nov-16	
Delhi	Lawrence Road	Mill Delivery	2100	2105	-5
	Narella	Mill Quality Loose	2000	2000	Unch
	Nazafgarh	Mill Quality Loose	1950	NR	-
Gujarat	Rajkot	Mill Delivery	NA	NA	-
	Ahmedabad	Mill Delivery	2100	2110	-10
	Surat	Mill Delivery	2110	2125	-15
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Delivery	2000	2000	
	Bhopal	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality Loose	NR	1880	-
		Mill Delivery	NR	1975	-
U.P.	Kanpur	Mill Delivery	NR	1875	-
	Mathura	Mill Quality Loose	1810	1811	-1
	Kosi	Mill Quality Loose	1870	1860	10
	Hathras	Mill Quality Loose	2040	2050	-10
	Aligarh	Mill Quality Loose	Closed	Closed	-
Punjab	Khanna	Mill Quality Loose	1880	1880	

	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1925	1950	-25
	Hodal	Mill Delivery	2130	2130	
	Bhiwani	Mill Quality Loose	1980	1950	30
	Karnal	Mill Delivery	NR	NR	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	NR	2200	-
	Madurai	Mill Quality	NR	2257	-
	Coimbatore	Mill Quality	NR	2257	-
Bihar	Khagariya	Mill Delivery	2050	2050	Unch
	Muzaffarpur	Mill Delivery	1850	1850	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			10-Nov-16	10-Nov-16	
Gujarat	Rajkot	Lokwan	NA	NA	-
M.P.	Indore	Lokwan	2400	2400	Unch
	Bhopal	Lokwan	Closed	Closed	-
	Bina	Sarbati 306	Closed	Closed	-
Rajasthan	Kota	Lokwan Bilty	NR	1975	-
	Baran	Lokwan	Closed	Closed	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			11-Nov-16	10-Nov-16	
Delhi	Lawrence Road	Mill Delivery	4000	4000	Unch
	Narella	Mill Quality Loose	250	250	Unch
	Nazafgarh	Mill Quality Loose	30	NR	-
Gujarat	Rajkot	Mill Quality Loose	NA	NA	-
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Quality Loose	500	2000	-1500
Rajasthan	Kota	Mill Quality	NR	2000	-
U.P.	Kanpur	Mill Quality Loose	NR	11000	-
	Mathura	Mill Quality Loose	150	200	-50
	Kosi	Mill Quality Loose	500	250	250
	Hathras	Mill Quality Loose	NA	40	-
	Aligarh	Mill Quality Loose	Closed	Closed	-
Punjab	Khanna	Mill Quality Loose	200	300	-100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	

Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	20	50	-30
	Bhiwani	Mill Quality Loose	500	200	300
	Karnal	Mill Delivery	NR	NR	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	11-Nov-16	10-Nov-16	Change
Atta (50kg) Ordinary	1075	1075	Unch
Maida Grade 1 (50KG)	1450	1450	Unch
Suji (50kg)	1505	1505	Unch
Chokar (50 kg)	909	909	Unch
Chokar (34 kg)	624	624	Unch
Chakki Atta (50kg)	1175	1175	Unch
Chakki Atta (50kg) Special	1150	1150	Unch
Chakki Atta (90kg) Superfine	2003	2003	Unch
Chakki Atta (50kg) Superfine	1105	1105	Unch

Wheat (CBOT) Future Price: 10.11.2016					
Contract Month	Open	High	Low	Close	Change
Dec-16	409.50	414.25	402.00	404.75	-2.00
Mar-17	426.00	432.25	419.50	422.75	-1.75
May-17	442.25	447.75	435.00	437.50	-3.00
Jul-17	457.50	462.75	450.25	452.25	-3.50
Sep-17	474.50	477.25	465.75	467.75	-3.50
Dec-17	491.50	495.25	485.25	487.75	-2.75

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