

Wheat Domestic Fundamentals:

All India weekly average prices increased by 5.98 percent to Rs. 2092.98 per quintal during the week ended 23rd February 2017. Wheat average price were ruling at Rs 1974.19 per quintal during 09-15th February 2017. As compared to prices in the week 16-23 February 2016, the prices are firm by 20.23 percent. Prices are expected to remain range bound to slightly weak in coming days.

Government may impose import duty on wheat in order to restrict the flow of imported wheat and provide favorable grounds for the upcoming wheat crop. In the current MY 2016-17, more than 3 MMT of wheat has already been imported. Government has already made it compulsory for wheat shipments to be fumigated in the exporter's country. India is expecting a good crop this year and government has set a procurement target of 33 MMT higher by 10% compared to last year.

As per latest update, wheat stock in central pool as on 1st Feb'17 stood at 11.52 MMT down by 16.16% compared to last month. This is the lowest quantity recorded in the last ten years. For the year 2016-17, FCI has sold around 43.31 lakh tonnes of wheat until third week of February. Of this total quantity around 36.80 lakh tonnes has been purchased by private trade and the remaining quantity by state governments. As per second advance estimate for 2016-17 wheat production is likely to be around 96.6 MMT and the procurement target has been fixed at 33 MMT higher by ten percent compared to last year

Government has fixed wheat procurement target at 33MMT for 2017-18. Of the total target around 11.5 MMT will be procured from Punjab, 8.5 MMT from Madhya Pradesh, 7.5 MMT from Haryana, 3MMT from Uttar Pradesh and 1.7 MMT from Rajasthan. Government target procurement for MY 2016-17 was 30.5 MMT against which it procured only 22.96 MMT. Wheat production target is kept at 96.5 MMT for 2016-17.

As per second advance estimate for 2016-17 wheat production is likely to be around 96.6 MMT which is higher compared to fourth advance estimate of 93.5 MMT issued in 2015-16. This year overall acreage is higher by around 4.5% over normal acreage of 304.05 lakh hectares.

Wheat WPI has decreased slightly from 251.7 in December'16 to 250.3 in January-2017. Monthly wheat inflation has decreased by 0.55 percent in January-17 compared to December-16. As compared to January-16, wheat WPI has increased by around 9.49% and by 5.54% compared to January-2015.

As per latest update, FCI has sold around 85 Thousand tonnes of wheat in the second week of February compared to 88 thousand tonnes in the first week. In January FCI has sold around 3.41 lakh tonnes and 4.25 lakh tonnes in December. For the year 2016-17, FCI has sold around 42.49 lakh tonnes of wheat until second week of February. Of this total quantity around 36.05 lakh tonnes has been purchased by private trade and the remaining quantity by state governments.

According to latest update, area sown until 03 February'17 is 317.81 lakh hectares compared to 297.25 lakh hectares in the previous Rabi season. Among various states the area is down in Jammu & Kashmir and Karnataka, whereas Punjab, Haryana and Uttar Pradesh have seen an increase in area compared to last year for the same date. The normal area is 304.05 lakh hectares. Area is expected to be higher this year as government has increased MSP of wheat which has motivated farmers to sow more area.

International Market Update:

As per latest update, Japan's ministry of agriculture bought 113167 MMT of food quality wheat from United States and Australia. Around 85417 MMT has been bought from United States with minimum protein content of 14 percent to be loaded between April 21-May 20 and 27750 MMT of standard white wheat has been bought from west Australia to be loaded between May 1- May 31.

GASC has purchased 535000 tonnes of wheat through tender after abolishing its zero-tolerance policy towards ergot. Of the total quantity 235000 tonnes is of Russian origin, 60000 tonnes is of Ukrainian origin, 120000 tonnes is of Romanian origin and 120000 tonnes is of French origin. Cerealcon bought Romanian wheat at FoB \$197.89 per tonne, AOS bought Russian wheat at FoB \$197.80 per tonne, Daewoo bought Russian wheat at FoB \$198.85 per tonne and Ukrainian wheat at \$199.5 per tonne respectively, Alegrow bought Russian wheat at FoB \$198.7 per tonne, Lecureur bought French wheat at FoB \$199 per tonne, Cargill bought Romanian and French wheat at FoB \$200.5 per tonne and FoB \$197 per tonne respectively, Glencore bought Romanian wheat at FoB \$198.75 per tonne.

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

Wheat Futures Contract: NCDEX Price								Date:01.03.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Mar	-27	1655	1665	1631	1635	1810	10	3410	-30
17-Apr	+6	1636	1640	1631	1638	840	330	3350	140
17-May	+3	1647	1650	1649	1650	80	-1,220	1800	80

Spread	Mar-17	Apr-17	May-17	
Spot Narela				
17-Mar	-215			
17-Apr		3		
17-May			12	

Stocks	Demat	In- Process	Total	FED
	28.Feb.17	28.Feb.17	28.Feb.17	27.Feb.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	2335	0	2335	2516
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 01.03.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			1-Mar-17	28-Feb-17	
Delhi	Lawrence Road	Mill Delivery	1875	1900	-25
	Narella	Mill Quality Loose	Closed	1850	-
	Nazafgarh	Mill Quality Loose	Closed	1825	-
Gujarat	Rajkot	Mill Delivery	1525	1525	Unch
	Ahmedabad	Mill Delivery	1670	1635	35
	Surat	Mill Delivery	1710	1700	10
	Dhrol	Mill Quality Loose	1885	1895	-10
M.P.	Indore	Mill Delivery	1600	1600	Unch
	Bhopal	Mill Quality Loose	1625	1600	25
Rajasthan	Kota	Mill Quality Loose	1575	1600	-25
		Mill Delivery	1650	1700	-50
U.P.	Kanpur	Mill Delivery	1875	1875	Unch
	Mathura	Mill Quality Loose	1700	1715	-15
	Kosi	Mill Quality Loose	1700	1700	Unch
	Hathras	Mill Quality Loose	1800	1800	Unch
	Aligarh	Mill Quality Loose	Closed	1685	-
Punjab	Khanna	Mill Quality Loose	1850	1850	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1725	1730	-5

	Hodal	Mill Delivery	NR	1900	-
	Bhiwani	Mill Quality Loose	1850	1850	Unch
	Karnal	Mill Delivery	NR	NR	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2150	2150	Unch
	Madurai	Mill Quality	2207	2207	Unch
	Coimbatore	Mill Quality	2207	2207	Unch
Bihar	Khagariya	Mill Delivery	1800	1800	Unch
	Muzaffarpur	Mill Delivery	1800	NR	-
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			1-Mar-17	28-Feb-17	
Gujarat	Rajkot	Lokwan	1700	1650	50
M.P.	Indore	Lokwan	1900	1900	Unch
	Bhopal	Lokwan	1750	1800	-50
	Bina	Sarbati 306	Closed	2200	-
Rajasthan	Kota	LokwanBilty	1750	1850	-100
	Baran	Lokwan	17850	1825	16025

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			1-Mar-17	28-Feb-17	
Delhi	Lawrence Road	Mill Delivery	1500	1200	300
	Narella	Mill Quality Loose	Closed	125	-
	Nazafgarh	Mill Quality Loose	Closed	50	-
Gujarat	Rajkot	Mill Quality Loose	1700	2000	-300
	Dhrol	Mill Quality Loose	42	11	31
M.P.	Indore	Mill Quality Loose	3000	4000	-1000
Rajasthan	Kota	Mill Quality	3000	2500	500
U.P.	Kanpur	Mill Quality Loose	1500	1500	Unch
	Mathura	Mill Quality Loose	100	100	Unch
	Kosi	Mill Quality Loose	350	350	Unch
	Hathras	Mill Quality Loose	400	400	Unch
	Aligarh	Mill Quality Loose	Closed	200	-
Punjab	Khanna	Mill Quality Loose	300	300	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	100	100	Unch
	Hodal	Mill Quality Loose	NR	40	-

	Bhiwani	Mill Quality Loose	200	200	Unch
	Karnal	Mill Delivery	NR	NR	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	1-Mar-17	28-Feb-17	Change
Atta (50kg) Ordinary	1060	1085	-25
Maida Grade 1 (50KG)	1415	1440	-25
Suji (50kg)	1515	1515	Unch
Chokar (50 kg)	779	779	Unch
Chokar (34 kg)	531	531	Unch
Chakki Atta (50kg)	1185	1210	-25
Chakki Atta (50kg) Special	1185	1210	-25
Chakki Atta (90kg) Superfine	1943	1968	-25
Chakki Atta (50kg) Superfine	1045	1070	-25

Wheat (CBOT) Future Price:28.02.2017					
Contract Month	Open	High	Low	Close	Change
17-Mar	420.00	435.50	419.50	424.75	6.00
17-May	440.00	454.50	439.00	443.75	5.00
17-Jul	455.00	468.00	453.75	458.50	5.25
17-Sep	470.50	482.75	469.25	473.25	4.75
17-Dec	489.50	501.25	488.50	492.25	4.75
18-Mar	502.00	512.50	502.00	505.50	4.25

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