

Wheat Domestic Fundamentals:

All India weekly average prices increased by 1.48 percent to Rs. 1979.74 per quintal during the week ended 08th March 2017. Wheat average price were ruling at Rs 1950.91 per quintal during 24-28 February 2017. As compared to prices in the week 01-08 March 2016, the prices are firm by 17.80 percent. Prices are expected to remain range bound to slightly weak in coming days.

Last tender for the Rabi marketing year 2016-17 will be released tomorrow as procurement is likely to start in Madhya Pradesh, Gujarat and Rajasthan from 15th March. As per market sources, in MY 2016-17 around 44.91 lakh tonnes of wheat until first week of March.

Recent light rains and cooling temperature in day in major wheat growing belts are considered to be beneficial to the standing wheat crop, especially for Eastern UP and Bihar where wheat crop is passing through grain filling stages. If light rains occur in mid March once again, it would keep day temperature down and it would boost normal yield. However, if rains occur with hailstorm, it may affect crop at harvesting stages and at grain filling stages. It would be a price driving factor in coming weeks. As of now everything seems normal.

As per latest update, India is likely to import 25% import duty in order to restrict imports and provide favorable grounds for the upcoming crop. In the current MY 2016-17, more than 4 MMT of wheat has already been imported. Government has 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.

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.

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:

Saudi Arabia's main state wheat buying agency the Saudi Grains Organization (SAGO) has purchased 735000 tonnes of hard wheat. The wheat can be sourced from European Union, North America, South America and Australia. The quantity will be shipped in 12 consignments with 8 to be shipped at port of Jeddah and rest at port of Dammam. Of the total quantity 60000 tonnes from Louis Dreyfus, 180000 tonnes from Posco Daewoo, 180000 tonnes from casillo, 60000 tonnes from Lansing, 65000 tonnes from Cargill and 190000 tonnes from ADM Hellas.

As per latest update, china has sold 424193 tonnes of wheat for average price of 2517 yuan (\$363.7) per tonne at an auction of state reserves on Tuesday. The quantity sold represents around 16 percent of 2.64 million tonnes of wheat available at auction.

As per latest update, Egypt will pay 555-575 Egyptian pounds (\$31.36 to \$32.49) per ardeb (150 Kg) to local farmers. The procurement season has also been extended to run from April 15 to July 15 and Egypt is likely to buy 4.5 million tonnes from local farmers. In 2016, Egypt paid 420 Egyptian pounds per ardeb.

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

Wheat Futures Contract: NCDEX Price								Date:14.03.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Mar	-58	1650	1632	1584	1592	510	-1,080	1310	-410
17-Apr	-12	1643	1648	1635	1636	900	-260	3870	-50
17-May	-14	1661	1668	1655	1655	180	-90	2630	-30

Spread	Mar-17	Apr-17	May-17	
Spot Narela				
17-Mar	-308			
17-Apr		44		
17-May			19	

Stocks	Demat	In- Process	Total	FED
	11.Mar.17	11.Mar.17	11.Mar.17	11.Mar.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	2038	0	2038	2334
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 14.03.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			14-Mar-17	11-Mar-17	
Delhi	Lawrence Road	Mill Delivery	1950	1960	-10
	Narella	Mill Quality Loose	1900	1900	Unch
	Nazafgarh	Mill Quality Loose	1900	Closed	-
Gujarat	Rajkot	Mill Delivery	1525	1530	-5
	Ahmedabad	Mill Delivery	1690	1680	10
	Surat	Mill Delivery	1725	1710	15
	Dhrol	Mill Quality Loose	1735	1540	195
M.P.	Indore	Mill Delivery	1600	NR	-
	Bhopal	Mill Quality Loose	1575	NR	-
Rajasthan	Kota	Mill Quality Loose	1570	1570	Unch
		Mill Delivery	1650	1650	Unch
U.P.	Kanpur	Mill Delivery	1825	1825	Unch
	Mathura	Mill Quality Loose	Closed	Closed	-
	Kosi	Mill Quality Loose	1850	1850	Unch
	Hathras	Mill Quality Loose	NR	Closed	-
	Aligarh	Mill Quality Loose	Closed	Closed	-
Punjab	Khanna	Mill Quality Loose	1620	Closed	-
	Ludhiana (Jagraon)	Mill Delivery	NA	Closed	-
Haryana	Sirsa	Mill Delivery loose	1800	1800	Unch

	Hodal	Mill Delivery	1845	1850	-5
	Bhiwani	Mill Quality Loose	1850	Closed	-
	Karnal	Mill Delivery	NR	NR	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2100	2100	Unch
	Madurai	Mill Quality	2157	2157	Unch
	Coimbatore	Mill Quality	2157	2157	Unch
Bihar	Khagariya	Mill Delivery	1700	1700	Unch
	Muzaffarpur	Mill Delivery	Closed	Closed	-
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			14-Mar-17	11-Mar-17	
Gujarat	Rajkot	Lokwan	1750	1700	50
M.P.	Indore	Lokwan	1900	NR	-
	Bhopal	Lokwan	1750	NR	-
	Bina	Sarbati 306	Closed	2200	-
Rajasthan	Kota	LokwanBilty	1750	1750	Unch
	Baran	Lokwan	NR	1850	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			14-Mar-17	11-Mar-17	
Delhi	Lawrence Road	Mill Delivery	NA	1200	-
	Narella	Mill Quality Loose	100	200	-100
	Nazafgarh	Mill Quality Loose	50	Closed	-
Gujarat	Rajkot	Mill Quality Loose	8000	6000	2000
	Dhrol	Mill Quality Loose	16	4	12
M.P.	Indore	Mill Quality Loose	3000	NR	-
Rajasthan	Kota	Mill Quality	5000	5000	Unch
U.P.	Kanpur	Mill Quality Loose	NA	9000	-
	Mathura	Mill Quality Loose	Closed	Closed	-
	Kosi	Mill Quality Loose	100	200	-100
	Hathras	Mill Quality Loose	NR	Closed	-
	Aligarh	Mill Quality Loose	Closed	Closed	-
Punjab	Khanna	Mill Quality Loose	1000	Closed	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	Closed	-
Haryana	Sirsa	Mill Quality Loose	100	100	Unch
	Hodal	Mill Quality Loose	60	30	30

	Bhiwani	Mill Quality Loose	150	Closed	-
	Karnal	Mill Delivery	NR	NR	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	14-Mar-17	11-Mar-17	Change
Atta (50kg) Ordinary	1060	1060	Unch
Maida Grade 1 (50KG)	1415	1415	Unch
Suji (50kg)	1515	1515	Unch
Chokar (50 kg)	779	779	Unch
Chokar (34 kg)	531	531	Unch
Chakki Atta (50kg)	1185	1185	Unch
Chakki Atta (50kg) Special	1185	1185	Unch
Chakki Atta (90kg) Superfine	1943	1943	Unch
Chakki Atta (50kg) Superfine	1045	1045	Unch

Wheat (CBOT) Future Price:13.03.2017					
Contract Month	Open	High	Low	Close	Change
17-Mar	419.50	419.50	412.25	412.25	-10.5
17-May	440.75	442.00	430.00	430.50	-10.0
17-Jul	456.25	457.50	445.50	446.50	-9.75
17-Sep	470.25	472.00	460.50	461.50	-9.50
17-Dec	489.00	489.00	478.50	479.75	-9.00
18-Mar	502.00	502.00	493.25	494.00	-8.00

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