

Wheat Domestic Fundamentals:

As per market sources, Government has sold around 75800 tonnes of wheat in the second week of March compared to 74000 tonnes in the first week of March. In the month of February around 3.40 lakh tonnes of wheat was sold. For the year 2016-17, government has sold around 44.91 lakh tonnes of wheat until first week of March.

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, 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:15.03.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Mar	+2	1575	1615	1575	1590	520	10	1300	-10
17-Apr	-2	1632	1640	1628	1637	1060	160	4010	140
17-May	-5	1659	1657	1648	1654	320	140	2720	90

Spread	Mar-17	Apr-17	May-17	
Spot Narela				
17-Mar	-310			
17-Apr		47		
17-May			17	

Stocks	Demat	In- Process	Total	FED
	14.Mar.17	14.Mar.17	14.Mar.17	13.Mar.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	2038	0	2038	2037
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 15.03.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			15-Mar-17	14-Mar-17	
Delhi	Lawrence Road	Mill Delivery	1890	1950	-60
	Narella	Mill Quality Loose	Closed	1900	-
	Nazafgarh	Mill Quality Loose	Closed	1900	-
Gujarat	Rajkot	Mill Delivery	1535	1525	10
	Ahmedabad	Mill Delivery	1700	1690	10
	Surat	Mill Delivery	1730	1725	5
	Dhrol	Mill Quality Loose	1770	1735	35
M.P.	Indore	Mill Delivery	1600	1600	Unch
	Bhopal	Mill Quality Loose	1560	1575	-15
Rajasthan	Kota	Mill Quality Loose	1575	1570	5
		Mill Delivery	1650	1650	Unch
U.P.	Kanpur	Mill Delivery	1825	1825	Unch
	Mathura	Mill Quality Loose	1725	Closed	-
	Kosi	Mill Quality Loose	1825	1850	-25
	Hathras	Mill Quality Loose	Closed	NR	-
	Aligarh	Mill Quality Loose	Closed	Closed	-
Punjab	Khanna	Mill Quality Loose	1630	1620	10
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1800	1800	Unch

	Hodal	Mill Delivery	1845	1845	Unch
	Bhiwani	Mill Quality Loose	1850	1850	Unch
	Karnal	Mill Delivery	NR	NR	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2000	2100	-100
	Madurai	Mill Quality	2057	2157	-100
	Coimbatore	Mill Quality	2057	2157	-100
Bihar	Khagariya	Mill Delivery	1700	1700	Unch
	Muzaffarpur	Mill Delivery	1800	Closed	-
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			15-Mar-17	14-Mar-17	
Gujarat	Rajkot	Lokwan	1700	1750	-50
M.P.	Indore	Lokwan	1900	1900	Unch
	Bhopal	Lokwan	1725	1750	-25
	Bina	Sarbati 306	Closed	Closed	-
Rajasthan	Kota	LokwanBilty	1750	1750	Unch
	Baran	Lokwan	1700	NR	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			15-Mar-17	14-Mar-17	
Delhi	Lawrence Road	Mill Delivery	1500	NA	-
	Narella	Mill Quality Loose	Closed	100	-
	Nazafgarh	Mill Quality Loose	Closed	50	-
Gujarat	Rajkot	Mill Quality Loose	7000	8000	-1000
	Dhrol	Mill Quality Loose	80	16	64
M.P.	Indore	Mill Quality Loose	2000	3000	-1000
Rajasthan	Kota	Mill Quality	7000	5000	2000
U.P.	Kanpur	Mill Quality Loose	NA	NA	-
	Mathura	Mill Quality Loose	60	Closed	-
	Kosi	Mill Quality Loose	250	100	150
	Hathras	Mill Quality Loose	Closed	NR	-
	Aligarh	Mill Quality Loose	Closed	Closed	-
Punjab	Khanna	Mill Quality Loose	500	1000	-500
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	100	100	Unch
	Hodal	Mill Quality Loose	50	60	-10

	Bhiwani	Mill Quality Loose	200	150	50
	Karnal	Mill Delivery	NR	NR	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	15-Mar-17	14-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:14.03.2017					
Contract Month	Open	High	Low	Close	Change
17-Mar	412.25	413.00	412.00	412.00	-0.25
17-May	431.50	434.50	428.50	430.50	unch
17-Jul	447.00	449.00	443.50	445.75	-0.75
17-Sep	462.00	463.50	458.75	460.50	-1.00
17-Dec	480.75	481.50	477.00	478.75	-1.00
18-Mar	493.75	495.75	491.25	493.50	-0.50

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