

Wheat Domestic Fundamentals:

Government has imposed 10 percent import duty on wheat in order to restrict imports and provide favorable grounds for domestic crops. In the current MY 2016-17, more than 4.5 MMT of wheat has already been imported. 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. Currently Australian and Ukrainian FoB are coming around \$180/tonne and \$188/tonne.

As per market sources wheat stock in central pool as on 16th March'17 is 8.57 MMT, which is lowest in last ten years. Due to lower production in the last two years government has to increase its release in OMSS to keep the prices under control which led to lower stocks. Last marketing season government was able to procure only 22.9 MMT. As good crop is expected this year, Government has kept a target of 33 MMT in current marketing season.

Government agencies have started procurement in Madhya Pradesh, Rajasthan and Gujarat since 15th March'17. Until 23rd March'17 government has procured around 2.35 lakh tonnes against arrival of around 3.08 lakh tonnes compared to 2.13 lakh tonnes against arrival of 3.17 lakh tonnes in last marketing season. Procurement in other states like Punjab, Haryana and Uttar Pradesh will start from 01st April'17. In Rabi marketing season 2017-18 government has set procurement target of 33 MMT.

All India weekly average prices increased by 5.53 percent to Rs. 2002.83 per quintal during the week ended 23rd March 2017. Wheat average price were ruling at Rs 1897.91 per quintal during 09-15 March 2017. As compared to prices in the week 16-23 March 2016, the prices are firm by 15.62 percent. Prices are expected to remain range bound to slightly weak in coming days.

Wheat WPI has decreased from 250.3 in January to 247.7 in February-2017. Monthly wheat inflation has decreased by 1.04 percent in February-17 compared to January-17. As compared to February-16, wheat WPI has increased by around 8.36% and by 14.36% compared to February -2015.

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.

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, china has sold 459232 tonnes of wheat for average price of 2506 yuan (\$364.03) per tonne at an auction of state reserves on Tuesday. The quantity sold represents around 17.26 percent of 2660401 tonnes of wheat available at auction.

Russian milling wheat prices are facing pressure from higher inventories and good condition of winter wheat that is to be harvested in coming months. Export price for Russian milling wheat with 12.5% protein decreased by \$1 per tonne to FoB \$191-193 per tonne Novorossiysk port for April Delivery.

As per latest update, Japan's ministry of agriculture bought 117689 MMT of food quality wheat from United States, Australia and Canada. Around 57100 MMT has been bought from United States with minimum protein content of 14 percent to be loaded between April 21-May 20, 35729 MMT has been bought from Canada with minimum protein content of 13.5 percent to be loaded between May 1- May 31 and 24860 MMT from west Australia to be loaded between May 21-June 20.

Ukrainian farmers have sown spring grains on 359100 hectares of land compared to 671000 hectares last year. Of the total grains, spring wheat is 7600 hectares. Furthermore of the total winter wheat planted in Ukraine around 5981500 or 97.8% has emerged and about 83 percent of winter wheat is in good or satisfactory condition.

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

Wheat Futures Contract: NCDEX Price								Date:28.03.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Apr	+17	1655	1679	1650	1667	7210	+4,980	6850	+1,570
17-May	+7	1680	1700	1675	1686	1550	+980	4190	+490
17-June	+2	1710	1722	1710	1717	140	+120	640	+20

Spread	Apr-17	May-17	Jun-17	
Spot Narela				
17-Apr	-208			
17-May		19		
17-Jun			31	

Stocks	Demat	In- Process	Total	FED
	27.Mar.17	27.Mar.17	27.Mar.17	27.Mar.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	874	0	874	875
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 28.03.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			28-Mar-17	27-Mar-17	
Delhi	Lawrence Road	Mill Delivery	1900	1900	Unch
	Narella	Mill Quality Loose	1875	1875	Unch
	Nazafgarh	Mill Quality Loose	1710	1760	-50
Gujarat	Rajkot	Mill Delivery	Closed	Closed	-
	Ahmedabad	Mill Delivery	1700	1700	Unch
	Surat	Mill Delivery	1735	1730	5
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Delivery	Closed	1600	-
	Bhopal	Mill Quality Loose	1600	1625	-25
Rajasthan	Kota	Mill Quality Loose	1550	1545	5
		Mill Delivery	1670	1655	15
U.P.	Kanpur	Mill Delivery	1725	NR	-
	Mathura	Mill Quality Loose	1620	1665	-45
	Kosi	Mill Quality Loose	1625	1650	-25
	Hathras	Mill Quality Loose	1710	1705	5
	Aligarh	Mill Quality Loose	Closed	Closed	-
Punjab	Khanna	Mill Quality Loose	1600	1625	-25
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1750	1750	Unch

	Hodal	Mill Delivery	1800	1800	Unch
	Bhiwani	Mill Quality Loose	1750	1800	-50
	Karnal	Mill Delivery	NR	NR	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2000	2000	Unch
	Madurai	Mill Quality	2057	2057	Unch
	Coimbatore	Mill Quality	2057	2057	Unch
Bihar	Khagariya	Mill Delivery	1700	1700	Unch
	Muzaffarpur	Mill Delivery	NA	Closed	-
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			28-Mar-17	27-Mar-17	
Gujarat	Rajkot	Lokwan	Closed	Closed	-
M.P.	Indore	Lokwan	Closed	1900	-
	Bhopal	Lokwan	1725	1725	Unch
	Bina	Sarbati 306	Closed	Closed	-
Rajasthan	Kota	LokwanBilty	1700	1700	Unch
	Baran	Lokwan	NR	1725	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			28-Mar-17	27-Mar-17	
Delhi	Lawrence Road	Mill Delivery	2000	2000	Unch
	Narella	Mill Quality Loose	300	200	100
	Nazafgarh	Mill Quality Loose	500	250	250
Gujarat	Rajkot	Mill Quality Loose	Closed	Closed	-
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Quality Loose	Closed	3000	-
Rajasthan	Kota	Mill Quality	50000	50000	Unch
U.P.	Kanpur	Mill Quality Loose	3500	NR	-
	Mathura	Mill Quality Loose	5000	4000	1000
	Kosi	Mill Quality Loose	4000	2000	2000
	Hathras	Mill Quality Loose	25	400	-375
	Aligarh	Mill Quality Loose	Closed	Closed	-
Punjab	Khanna	Mill Quality Loose	500	800	-300
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	100	100	Unch
	Hodal	Mill Quality Loose	5000	500	4500

	Bhiwani	Mill Quality Loose	100	150	-50
	Karnal	Mill Delivery	NR	NR	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	28-Mar-17	27-Mar-17	Change
Atta (50kg) Ordinary	1010	1010	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)	1160	1160	Unch
Chakki Atta (50kg) Special	1160	1160	Unch
Chakki Atta (90kg) Superfine	1918	1918	Unch
Chakki Atta (50kg) Superfine	1020	1020	Unch

Wheat (CBOT) Future Price:27.03.2017					
Contract Month	Open	High	Low	Close	Change
17-May	426.00	426.00	418.25	420.75	-4.00
17-Jul	440.50	440.50	432.75	434.75	-4.75
17-Sep	455.00	455.75	448.25	450.00	-4.50
17-Dec	474.25	474.25	468.00	469.75	-4.00
18-Mar	487.75	487.75	482.75	484.25	-4.00
18-May	493.75	493.75	490.50	492.00	-3.75

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