

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:29.03.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Apr	-3	1674	1678	1655	1665	1220	-5,990	6860	10
17-May	-3	1690	1695	1682	1686	470	-1,080	4270	80
17-June	-	-	-	-	-	-	-	-	-

Spread	Apr-17	May-17	Jun-17	
Spot Narela				
17-Apr	-210			
17-May		21		
17-Jun			-	

Stocks	Demat	In- Process	Total	FED
	28.Mar.17	28.Mar.17	28.Mar.17	27.Mar.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	844	0	844	875
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 29.03.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			29-Mar-17	28-Mar-17	
Delhi	Lawrence Road	Mill Delivery	1850	1900	-50
	Narela	Mill Quality Loose	Closed	1875	-
	Nazafgarh	Mill Quality Loose	Closed	1710	-
Gujarat	Rajkot	Mill Delivery	Closed	Closed	-
	Ahmedabad	Mill Delivery	1710	1700	10
	Surat	Mill Delivery	1740	1735	5
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Delivery	1600	Closed	-
	Bhopal	Mill Quality Loose	Closed	1600	-
Rajasthan	Kota	Mill Quality Loose	1550	1550	Unch
		Mill Delivery	1670	1670	Unch
U.P.	Kanpur	Mill Delivery	1740	1725	15
	Mathura	Mill Quality Loose	1630	1620	10
	Kosi	Mill Quality Loose	1620	1625	-5
	Hathras	Mill Quality Loose	1725	1710	15
	Aligarh	Mill Quality Loose	1720	Closed	-
Punjab	Khanna	Mill Quality Loose	1620	1600	20
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1750	1750	Unch

	Hodal	Mill Delivery	1800	1800	Unch
	Bhiwani	Mill Quality Loose	1700	1750	-50
	Karnal	Mill Delivery	1725	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	1800	NA	-
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			29-Mar-17	28-Mar-17	
Gujarat	Rajkot	Lokwan	Closed	Closed	-
M.P.	Indore	Lokwan	1900	Closed	-
	Bhopal	Lokwan	Closed	1725	-
	Bina	Sarbat 306	Closed	Closed	-
Rajasthan	Kota	LokwanBilty	1700	1700	Unch
	Baran	Lokwan	1775	NR	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			29-Mar-17	28-Mar-17	
Delhi	Lawrence Road	Mill Delivery	1000	2000	-1000
	Narella	Mill Quality Loose	Closed	300	-
	Nazafgarh	Mill Quality Loose	Closed	500	-
Gujarat	Rajkot	Mill Quality Loose	Closed	Closed	-
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Quality Loose	3000	Closed	-
Rajasthan	Kota	Mill Quality	50000	50000	Unch
U.P.	Kanpur	Mill Quality Loose	3250	3500	-250
	Mathura	Mill Quality Loose	4000	5000	-1000
	Kosi	Mill Quality Loose	3000	4000	-1000
	Hathras	Mill Quality Loose	30	25	5
	Aligarh	Mill Quality Loose	250	Closed	-
Punjab	Khanna	Mill Quality Loose	300	500	-200
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	100	100	Unch
	Hodal	Mill Quality Loose	5000	5000	Unch

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

Wheat Products Delhi	29-Mar-17	28-Mar-17	Change
Atta (50kg) Ordinary	1010	1010	Unch
Maida Grade 1 (50KG)	1415	1415	Unch
Suji (50kg)	1490	1515	-25
Chokar (50 kg)	799	779	20
Chokar (34 kg)	519	531	-12
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:28.03.2017					
Contract Month	Open	High	Low	Close	Change
17-May	421.00	425.75	419.25	424.50	3.75
17-Jul	434.75	439.25	433.50	437.50	2.75
17-Sep	448.75	454.50	448.50	452.50	2.50
17-Dec	468.50	473.75	468.25	472.50	2.75
18-Mar	485.00	487.75	485.00	487.25	3.00
18-May	491.75	496.50	491.75	495.75	3.75

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