

Wheat Domestic Fundamentals:

Wheat procurement in Haryana will start from 01st April'17. Government has kept a target of 75 Lakh metric tonnes for Rabi marketing season 2017-18 for Haryana compared to actual procurement of 67.52 lakh metric tonnes in marketing season 2016-17. All India procurement target is 33 MMT higher by 10% compared to last year.

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.

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:

Algeria's state grain agency OAIC has bought 200000 tonnes of durum wheat in a tender closed on Tuesday for shipment in May at around \$250 to \$253 per tonne cost and freight. The purchase is likely to be Canadian western amber durum or U.S. durum

Jordan has bought 50000 tonnes of hard milling wheat at \$202 cost and freight for delivery in second half of September. The tender closed on Wednesday and wheat can be sourced from optional origin. Recently Jordan has purchased 50000 tonnes on March 22, 50000 tonnes on March 7 and 100000 tonnes on February 21.

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.

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

Wheat Futures Contract: NCDEX Price								Date:31.03.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Apr	+5	1658	1663	1658	1661	190	-1,250	6110	0
17-May	+7	1675	1684	1675	1683	280	+10	4390	+70
17-June	+9	1704	1705	1704	1705	30	-110	640	0

Spread	Apr-17	May-17	Jun-17	
Spot Narela				
17-Apr	-39			
17-May		22		
17-Jun			22	

Stocks	Demat	In- Process	Total	FED
	30.Mar.17	30.Mar.17	30.Mar.17	27.Mar.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	845	0	845	875
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 11.04.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			1-Apr-17	31-Mar-17	
Delhi	Lawrence Road	Mill Delivery	1775	1830	-55
	Narela	Mill Quality Loose	NR	1700	-
	Nazafgarh	Mill Quality Loose	1672	1675	-3
Gujarat	Rajkot	Mill Delivery	Closed	Closed	-
	Ahmedabad	Mill Delivery	1710	1720	-10
	Surat	Mill Delivery	1740	1750	-10
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Delivery	1600	1600	Unch
	Bhopal	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality Loose	1560	1560	Unch
		Mill Delivery	1650	1650	Unch
U.P.	Kanpur	Mill Delivery	1700	1725	-25
	Mathura	Mill Quality Loose	1600	1575	25
	Kosi	Mill Quality Loose	1560	1580	-20
	Hathras	Mill Quality Loose	NR	1725	-
	Aligarh	Mill Quality Loose	1690	1700	-10
Punjab	Khanna	Mill Quality Loose	1650	1625	25
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1715	1725	-10

	Hodal	Mill Delivery	1740	1760	-20
	Bhiwani	Mill Quality Loose	1700	1700	Unch
	Karnal	Mill Delivery	1725	1700	25
	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	1650	1700	-50
	Muzaffarpur	Mill Delivery	1700	1750	-50
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			1-Apr-17	31-Mar-17	
Gujarat	Rajkot	Lokwan	Closed	Closed	-
M.P.	Indore	Lokwan	1900	1900	Unch
	Bhopal	Lokwan	Closed	Closed	-
	Bina	Sarbati 306	Closed	Closed	-
Rajasthan	Kota	Lokwan Bilty	1750	1750	Unch
	Baran	Lokwan	Closed	Closed	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			1-Apr-17	31-Mar-17	
Delhi	Lawrence Road	Mill Delivery	7000	8000	-1000
	Narella	Mill Quality Loose	NR	60	-
	Nazafgarh	Mill Quality Loose	2000	1000	1000
Gujarat	Rajkot	Mill Quality Loose	Closed	Closed	-
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Quality Loose	5000	8000	-3000
Rajasthan	Kota	Mill Quality	70000	70000	Unch
U.P.	Kanpur	Mill Quality Loose	3500	3200	300
	Mathura	Mill Quality Loose	15000	10000	5000
	Kosi	Mill Quality Loose	8000	4000	4000
	Hathras	Mill Quality Loose	NR	30	-
	Aligarh	Mill Quality Loose	300	350	-50
Punjab	Khanna	Mill Quality Loose	500	600	-100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	100	100	Unch
	Hodal	Mill Quality Loose	10000	10000	Unch

	Bhiwani	Mill Quality Loose	200	400	-200
	Karnal	Mill Delivery	200	60	140
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	1-Apr-17	31-Mar-17	Change
Atta (50kg) Ordinary	1010	1010	Unch
Maida Grade 1 (50KG)	1415	1415	Unch
Suji (50kg)	1490	1490	Unch
Chokar (50 kg)	809	809	Unch
Chokar (34 kg)	519	519	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: 31.03.2017					
Contract Month	Open	High	Low	Close	Change
17-May	422.00	432.25	416.50	426.50	5.50
17-Jul	434.25	444.75	429.50	439.00	5.00
17-Sep	449.50	459.75	445.00	453.50	4.25
17-Dec	470.75	479.25	465.00	473.75	4.25
18-Mar	485.50	493.50	480.00	488.50	4.00
18-May	500.75	502.50	497.00	497.75	3.50

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