

Wheat Domestic Fundamentals:

All India average monthly prices for wheat decreased by 0.92 percent from Rs 1924.87 (in February) to Rs 1907.24 per qtl in March-2017. Better crop prospects for have weakened inner tone in the market. Average price (March) is higher by 10.62 percent compared to price (Rs 1724.19 per qtl.) registered in March -2016. Higher import volume would restrict demand from south Indian millers. Government has imposed import duty of 10 percent to restrict flow of imports.

All India weekly average prices increased by 6.08 percent to Rs. 1881.04 per quintal during the week ended 31st March 2017. Wheat average price were ruling at Rs 2002.83 per quintal during 16-23 March 2017. As compared to prices in the week 24-31 March 2016, the prices are firm by 9.15 percent. Prices are expected to remain range bound to slightly weak in coming days.

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.

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:

Major feedmill group of south korea has purchased around 125000 tonnes of feed wheat in two consignments that can be sourced from optional origins. The first consignment consist of 60000 tonnes purchased at \$189.25 per tonne C&F to be delivered between July 15 to August 05 and second consignment of 65000 tonnes at \$187.9 per tonne C&F be delivered between August 01-31.

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.

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.

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

Wheat Futures Contract: NCDEX Price								Date:05.04.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Apr	+1	1660	1663	1658	1662	730	-720	5120	-320
17-May	+1	1682	1686	1678	1682	2210	+940	6460	+1,380
17-June	-2	1705	1707	1701	1701	130	+30	650	-30

Spread	Apr-17	May-17	Jun-17	
Spot Narela				
17-Apr	-38			
17-May		20		
17-Jun			19	

Stocks	Demat	In- Process	Total	FED
	3.Apr.17	3.Apr.17	3.Apr.17	3.Apr.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	1773	130	1903	1773
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 5.04.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			5-Apr-17	3-Apr-17	
Delhi	Lawrence Road	Mill Delivery	1770	1790	-20
	Narela	Mill Quality Loose	Closed	1700	-
	Nazafgarh	Mill Quality Loose	Closed	1675	-
Gujarat	Rajkot	Mill Delivery	1540	1540	Unch
	Ahmedabad	Mill Delivery	1700	1710	-10
	Surat	Mill Delivery	1730	1740	-10
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Delivery	1600	1600	Unch
	Bhopal	Mill Quality Loose	1625	1650	-25
Rajasthan	Kota	Mill Quality Loose	1550	1530	20
		Mill Delivery	1650	1625	25
U.P.	Kanpur	Mill Delivery	1700	1715	-15
	Mathura	Mill Quality Loose	1535	1650	-115
	Kosi	Mill Quality Loose	1555	1565	-10
	Hathras	Mill Quality Loose	1625	1625	Unch
	Aligarh	Mill Quality Loose	1650	1670	-20
Punjab	Khanna	Mill Quality Loose	1680	1630	50
	Ludhiana (Jagraon)	Mill Delivery	1800	1800	Unch
Haryana	Sirsa	Mill Delivery loose	1625	1715	-90

	Hodal	Mill Delivery	1740	1740	Unch
	Bhiwani	Mill Quality Loose	1625	1650	-25
	Karnal	Mill Delivery	1750	1725	25
	Panipat	Mill Quality Loose	1625	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	1600	1600	Unch
	Muzaffarpur	Mill Delivery	1800	1650	150
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			5-Apr-17	3-Apr-17	
Gujarat	Rajkot	Lokwan	1700	1700	Unch
M.P.	Indore	Lokwan	1900	1900	Unch
	Bhopal	Lokwan	1700	1720	-20
	Bina	Sarbati 306	Closed	2200	-
Rajasthan	Kota	LokwanBilty	1750	1750	Unch
	Baran	Lokwan	Closed	1750	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			5-Apr-17	3-Apr-17	
Delhi	Lawrence Road	Mill Delivery	10000	7000	3000
	Narella	Mill Quality Loose	Closed	800	-
	Nazafgarh	Mill Quality Loose	Closed	1500	-
Gujarat	Rajkot	Mill Quality Loose	18000	17000	1000
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Quality Loose	4000	4000	Unch
Rajasthan	Kota	Mill Quality	100000	100000	Unch
U.P.	Kanpur	Mill Quality Loose	3500	3600	-100
	Mathura	Mill Quality Loose	20000	20000	Unch
	Kosi	Mill Quality Loose	20000	20000	Unch
	Hathras	Mill Quality Loose	200	200	Unch
	Aligarh	Mill Quality Loose	300	250	50
Punjab	Khanna	Mill Quality Loose	900	700	200
	(Ludhiana)Jagraon	Mill Quality Loose	100	100	Unch
Haryana	Sirsa	Mill Quality Loose	500	100	400
	Hodal	Mill Quality Loose	100000	40000	60000

	Bhiwani	Mill Quality Loose	4000	600	3400
	Karnal	Mill Delivery	5000	150	4850
	Panipat	Mill Quality Loose	345	NA	-

Wheat Products Delhi	5-Apr-17	3-Apr-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:4.04.2017					
Contract Month	Open	High	Low	Close	Change
17-May	426.75	432.25	425.75	427.00	-0.75
17-Jul	438.25	444.25	438.25	440.00	-0.25
17-Sep	452.75	458.50	452.25	454.50	Unch
17-Dec	473.50	478.00	472.75	475.00	0.50
18-Mar	491.50	491.75	489.75	491.00	1.75
18-May	500.50	501.50	498.75	501.50	3.00

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