

Wheat Domestic Fundamentals:

Indian flour millers have purchased around 150000 tonnes of Australian wheat with protein content of 9 percent for May shipment. The said quantity was purchased at \$220-221 per tonne including cost and freight. India has imposed 10 percent import duty but even after that Australian wheat is cheaper for mills in south India.

Government has imposed 10 percent import duty on 28th March'17. However this was not able to cease flow of imports and millers are still importing wheat. As per latest update millers have purchased 150000 tonnes of Australian wheat for May shipment. Agriwatch recommends duty of 25 percent to halt imports completely.

Government agencies have started procurement since 15th March'17. Until 06th April'17 government has procured around 15.79 lakh tonnes of wheat. Of the total quantity procured, around 13.87 lakh tonnes has been procured from Madhya Pradesh, 1.77 lakh tonnes from Haryana, 13000 tonnes from Rajasthan and 1000 tonnes from Gujarat. In Rabi marketing season 2017-18 government has set procurement target of 33 MMT.

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.

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.

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:

As per latest update, Russia has exported 3.2 MMT of wheat in the first two months of 2017 compared to 3.6 MMT for the same months last year. Of the total 3.2 MMT exports to CIS and Non-CIS countries are 0.14 MMT and 3.06 MMT respectively. Export price for Russian wheat with 12.5% protein is hovering around FoB \$187 per tonne. Russia has exported 21.69 MMT of wheat between 01st July'16 and 29th March'17.

Soft wheat exports from European Union in 2016/17 season have reached 18.3 million tonnes by April 4, down by around 18 percent compared to 22.3 million tonnes during the same time period last season. As of now wheat FoB port Rouen is hovering around \$161 per tonne.

Russian wheat prices fell last week due to weak demand from Egypt and Turkey and strengthening of rouble against dollar. Export price for Russian wheat with 12.5% protein decreased by \$2 per tonne to FoB \$187 per tonne. Russia has exported 21.69 MMT of wheat between 01st July'16 and 29th March'17.

As per latest update, Japan's ministry of agriculture bought 120507 MMT of food quality wheat from United States, Australia and Canada. Around 65536 MMT has been bought from United States with minimum protein content of 14 percent to be loaded between May 21-June 20, 29511 MMT has been bought from Canada with minimum protein content of 13.5 percent to be loaded between June 21- July 20 and 25460 MMT from west Australia to be loaded between June 1-June 20.

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

Wheat Futures Contract: NCDEX Price								Date:07.04.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Apr	-5	1631	1634	1600	1630	3570	+60	2250	-1,260
17-May	-10	1671	1671	1642	1665	5320	+2,370	9630	+2,150
17-June	-3	1680	1700	1674	1700	2990	+1,590	3830	+1,990

Spread	Apr-17	May-17	Jun-17	
Spot Narela				
17-Apr	-25			
17-May		35		
17-Jun			35	

Stocks	Demat	In- Process	Total	FED
	6.Apr.17	6.Apr.17	6.Apr.17	3.Apr.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	2043	400	2443	1773
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 7.04.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			7-Apr-17	6-Apr-17	
Delhi	Lawrence Road	Mill Delivery	1750	1760	-10
	Narela	Mill Quality Loose	1655	1670	-15
	Nazafgarh	Mill Quality Loose	1630	1650	-20
Gujarat	Rajkot	Mill Delivery	1535	1540	-5
	Ahmedabad	Mill Delivery	1700	1700	Unch
	Surat	Mill Delivery	1725	1730	-5
	Dhrol	Mill Quality Loose	1920	1895	25
M.P.	Indore	Mill Delivery	1600	1600	Unch
	Bhopal	Mill Quality Loose	1625	1625	Unch
Rajasthan	Kota	Mill Quality Loose	1565	1550	15
		Mill Delivery	1650	1650	Unch
U.P.	Kanpur	Mill Delivery	1725	1700	25
	Mathura	Mill Quality Loose	1530	1570	-40
	Kosi	Mill Quality Loose	1530	1535	-5
	Hathras	Mill Quality Loose	1700	1625	75
	Aligarh	Mill Quality Loose	1550	1550	Unch
Punjab	Khanna	Mill Quality Loose	1680	1680	Unch
	Ludhiana (Jagraon)	Mill Delivery	1800	1800	Unch
Haryana	Sirsa	Mill Delivery loose	1625	1625	Unch

	Hodal	Mill Delivery	1720	1740	-20
	Bhiwani	Mill Quality Loose	1600	1625	-25
	Karnal	Mill Delivery	1725	1725	Unch
	Panipat	Mill Quality Loose	1625	1625	Unch
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	1620	30
	Muzaffarpur	Mill Delivery	1700	1800	-100
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			7-Apr-17	6-Apr-17	
Gujarat	Rajkot	Lokwan	1700	1750	-50
M.P.	Indore	Lokwan	1900	1900	Unch
	Bhopal	Lokwan	1750	1700	50
	Bina	Sarbati 306	2200	2200	Unch
Rajasthan	Kota	LokwanBilty	1750	1750	Unch
	Baran	Lokwan	NA	1800	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			7-Apr-17	6-Apr-17	
Delhi	Lawrence Road	Mill Delivery	10000	8000	2000
	Narella	Mill Quality Loose	4000	3000	1000
	Nazafgarh	Mill Quality Loose	3000	3000	Unch
Gujarat	Rajkot	Mill Quality Loose	13000	20000	-7000
	Dhrol	Mill Quality Loose	367	498	-131
M.P.	Indore	Mill Quality Loose	3000	3000	Unch
Rajasthan	Kota	Mill Quality	100000	100000	Unch
U.P.	Kanpur	Mill Quality Loose	4000	NA	-
	Mathura	Mill Quality Loose	10000	20000	-10000
	Kosi	Mill Quality Loose	25000	20000	5000
	Hathras	Mill Quality Loose	100	NA	-
	Aligarh	Mill Quality Loose	6000	6000	Unch
Punjab	Khanna	Mill Quality Loose	700	600	100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	2000	1000	1000
	Hodal	Mill Quality Loose	100000	100000	Unch

	Bhiwani	Mill Quality Loose	4000	4000	Unch
	Karnal	Mill Delivery	5000	1200	3800
	Panipat	Mill Quality Loose	2325	2410	-85

Wheat Products Delhi	7-Apr-17	6-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:6.04.2017					
Contract Month	Open	High	Low	Close	Change
17-May	429.00	430.75	421.75	423.25	-6.50
17-Jul	442.00	443.00	434.50	436.00	-6.50
17-Sep	455.75	456.75	449.00	450.25	-6.50
17-Dec	476.50	477.25	469.50	470.75	-6.25
18-Mar	493.00	493.50	486.50	487.75	-6.00
18-May	503.00	503.25	496.75	498.25	-6.50

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