

Wheat Domestic Fundamentals:

Government agencies have started procurement since 15th March'17. Till date government has procured around 24 lakh tonnes of wheat. Of the total quantity procured, around 18.05 lakh tonnes has been procured from Madhya Pradesh, 5.34 lakh tonnes from Haryana, 21760 tonnes from Rajasthan, 1145 tonnes from Gujarat, 37505 tonnes from Punjab. Government has also started procurement in Uttar Pradesh and till date it has procured 5245 tonnes compared to 1759 tonnes last year during same time period. State government has decided to procure 80 lakh tonnes from Uttar Pradesh in the ongoing season. In Rabi marketing season 2017-18 government has set procurement target of 33 MMT.

All India weekly average prices decreased by 1.51 percent to Rs. 1852.57 per quintal during the week ended 08th April 2017. Wheat average price were ruling at Rs 1881.04 per quintal during 24-31 March 2017. As compared to prices in the week 01-08 April 2016, the prices are firm by 8.27 percent. Prices are expected to remain range bound to slightly weak in coming days.

Hailstorm in many parts of Bijnor district damaged standing wheat crop. As per farmers around 15% to 20% of crop has been damaged. Wheat is cultivated in 1.10 lakh hectares in the district. Other districts like Kotwali, Dehat, Dhampur and Nehtaur were also affected and loss assessment is ongoing. Coming days are critical for Uttar Pradesh as harvesting is ongoing and if the weather worsens loss to wheat crop may be higher.

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.

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, china has sold 607500 tonnes of wheat for average price of 2508 yuan (\$363.39) per tonne at an auction of state reserves on Tuesday. The quantity sold represents around 23.05 percent of 2635266 tonnes of wheat available at auction.

South Korea's Feed Leader committee purchased around 63000 tonnes of feed wheat in a private deal at \$187.2 per tonne cost and freight. The wheat should be delivered around September. An additional cost of \$1.25 per tonne is also applicable for port unloading. The deal was made after NOFI purchased 65000 tonnes last week.

Russian wheat export prices increased slightly as farmers are holding on to their crop in expectation of better prices. Black sea prices for Russian wheat with a protein content of 12.5% for April delivery increased by \$1 per tonne compared to last week and settled at \$188 per tonne. The price for May delivery was quoted at \$187 per tonne. Russia has exported 22.2 MMT of wheat between 1st July'16 and 05th April'17.

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.

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

Wheat Futures Contract: NCDEX Price								Date:11.04.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Apr	-3	1632	1632	1622	1624	1140	-600	2010	-130
17-May	+1	1665	1672	1664	1664	2260	-380	10500	+620
17-June	+1	1699	1711	1700	1700	610	-60	4310	+210

Spread	Apr-17	May-17	Jun-17	
Spot Narela				
17-Apr	-26			
17-May		40		
17-Jun			36	

Stocks	Demat	In- Process	Total	FED
	10.Apr.17	10.Apr.17	10.Apr.17	10.Apr.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	2525	748	3273	2525
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 11.04.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			11-Apr-17	10-Apr-17	
Delhi	Lawrence Road	Mill Delivery	1750	1750	Unch
	Narela	Mill Quality Loose	1650	1660	-10
	Nazafgarh	Mill Quality Loose	1620	NR	-
Gujarat	Rajkot	Mill Delivery	Closed	1525	-
	Ahmedabad	Mill Delivery	1690	1700	-10
	Surat	Mill Delivery	1720	1725	-5
	Dhrol	Mill Quality Loose	2085	1855	230
M.P.	Indore	Mill Delivery	Closed	1600	-
	Bhopal	Mill Quality Loose	1625	1600	25
Rajasthan	Kota	Mill Quality Loose	1530	1530	Unch
		Mill Delivery	1650	1650	Unch
U.P.	Kanpur	Mill Delivery	1725	1715	10
	Mathura	Mill Quality Loose	1550	1550	Unch
	Kosi	Mill Quality Loose	1535	1520	15
	Hathras	Mill Quality Loose	1590	1725	-135
	Aligarh	Mill Quality Loose	1540	1540	Unch
Punjab	Khanna	Mill Quality Loose	1625	1625	Unch
	Ludhiana (Jagraon)	Mill Delivery	1780	1780	Unch
Haryana	Sirsa	Mill Delivery loose	1625	1625	Unch

	Hodal	Mill Delivery	1700	1700	Unch
	Bhiwani	Mill Quality Loose	1625	1625	Unch
	Karnal	Mill Delivery	1700	1700	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	1600	1600	Unch
	Muzaffarpur	Mill Delivery	1680	1650	30
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			11-Apr-17	10-Apr-17	
Gujarat	Rajkot	Lokwan	Closed	1700	-
M.P.	Indore	Lokwan	Closed	1900	-
	Bhopal	Lokwan	1650	1700	-50
	Bina	Sarbati 306	Closed	2200	-
Rajasthan	Kota	LokwanBilty	1750	1750	Unch
	Baran	Lokwan	1750	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			11-Apr-17	10-Apr-17	
Delhi	Lawrence Road	Mill Delivery	7000	8000	-1000
	Narella	Mill Quality Loose	7000	7500	-500
	Nazafgarh	Mill Quality Loose	400	NR	-
Gujarat	Rajkot	Mill Quality Loose	Closed	18000	-
	Dhrol	Mill Quality Loose	301	491	-190
M.P.	Indore	Mill Quality Loose	Closed	5000	-
Rajasthan	Kota	Mill Quality	70000	75000	-5000
U.P.	Kanpur	Mill Quality Loose	4000	NR	-
	Mathura	Mill Quality Loose	20000	20000	Unch
	Kosi	Mill Quality Loose	18000	20000	-2000
	Hathras	Mill Quality Loose	350	50	300
	Aligarh	Mill Quality Loose	7000	8000	-1000
Punjab	Khanna	Mill Quality Loose	30000	20000	10000
	(Ludhiana)Jagraon	Mill Quality Loose	2000	2000	Unch
Haryana	Sirsa	Mill Quality Loose	10000	5000	5000
	Hodal	Mill Quality Loose	100000	50000	50000

	Bhiwani	Mill Quality Loose	12000	12000	Unch
	Karnal	Mill Delivery	30000	12000	18000
	Panipat	Mill Quality Loose	31070	35905	-4835

Wheat Products Delhi	11-Apr-17	10-Apr-17	Change
Atta (50kg) Ordinary	960	1010	-50
Maida Grade 1 (50KG)	1390	1415	-25
Suji (50kg)	1465	1490	-25
Chokar (50 kg)	814	809	5
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	1080	1020	60

Wheat (CBOT) Future Price:10.04.2017					
Contract Month	Open	High	Low	Close	Change
17-May	423.75	429.00	422.50	428.75	4.75
17-Jul	436.25	441.75	434.75	441.75	5.50
17-Sep	449.00	455.00	448.25	455.00	5.25
17-Dec	469.50	474.75	468.00	474.75	4.75
18-Mar	487.25	491.25	485.75	491.00	4.50
18-May	498.25	502.75	497.50	502.00	4.75

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