

Wheat Domestic Fundamentals:

As per latest update, until yesterday Traders and five government agencies have purchased a total of 14.95 lakh tonnes of wheat at MSP. Of the total quantity procured by government agencies around 3.75 lakh tonnes has been procured by food, civil supplies and consumer affairs department, 4.45 lakh tonnes by HAFED, 2.15 lakh tonnes by FCI, 1.12 lakh tonnes by Haryana Agro Industries corporation and 3.46 lakh tonnes by Haryana warehousing corporation. Government has kept a target of 75 lakh tonnes for 2017-18.

Government agencies have started procurement since 15th March'17. Until 12th April'17 government has procured around 39 lakh tonnes of wheat compared to 36 lakh tonnes during the same period last year. Of the total quantity procured, around 21 lakh tonnes has been procured from Madhya Pradesh, 14.9 lakh tonnes from Haryana, 2.5 lakh tonnes from Punjab, 50000 tonnes from Rajasthan and 11883 tonnes from Uttar Pradesh. In Rabi marketing season 2017-18 government has set procurement target of 33 MMT.

As per latest circular released by NCDEX transaction charges on list A commodities has been increased and they will be in effect from 17th April'17. List A commodities include Wheat, Guar seed, Guar gum, Soybean, coriander, sugar, etc. Furthermore castor seed will also be moved from list B to list A from 17th April. Transaction charges for list B and C commodities shall be charged at a flat rate of Rs 2 per lakh of trade and Rs 0.10 per lakh of trade respectively.

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.

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.

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:

Farmers in Ukraine have sown 1.44 lakh hectares of spring wheat so far which is around 76% of the target area.

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.

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

Wheat Futures Contract: NCDEX Price								Date:13.04.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Apr	-2	1622	1625	1622	1625	140	+100	450	-660
17-May	-2	1655	1659	1647	1656	3100	+2,060	11110	+590
17-June	-1	1682	1690	1679	1686	1490	+560	5630	+980

Spread	Apr-17	May-17	Jun-17	
Spot Narela				
17-Apr	-25			
17-May		31		
17-Jun			30	

Stocks	Demat	In- Process	Total	FED
	12.Apr.17	12.Apr.17	12.Apr.17	10.Apr.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	3223	51	3274	2525
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 13.04.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			13-Apr-17	12-Apr-17	
Delhi	Lawrence Road	Mill Delivery	1750	1750	Unch
	Narela	Mill Quality Loose	1650	Closed	-
	Nazafgarh	Mill Quality Loose	1620	Closed	-
Gujarat	Rajkot	Mill Delivery	1540	1535	5
	Ahmedabad	Mill Delivery	1700	1700	Unch
	Surat	Mill Delivery	1725	1725	Unch
	Dhrol	Mill Quality Loose	1810	1835	-25
M.P.	Indore	Mill Delivery	1600	1600	Unch
	Bhopal	Mill Quality Loose	1600	1600	Unch
Rajasthan	Kota	Mill Quality Loose	1530	1530	Unch
		Mill Delivery	1650	1650	Unch
U.P.	Kanpur	Mill Delivery	1705	NR	-
	Mathura	Mill Quality Loose	1550	1550	Unch
	Kosi	Mill Quality Loose	1535	1530	5
	Hathras	Mill Quality Loose	1560	1590	-30
	Aligarh	Mill Quality Loose	1625	Closed	-
Punjab	Khanna	Mill Quality Loose	1625	1630	-5
	Ludhiana (Jagraon)	Mill Delivery	1760	1760	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	1710	1700	10
	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	1600	1600	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			13-Apr-17	12-Apr-17	
Gujarat	Rajkot	Lokwan	1750	1750	Unch
M.P.	Indore	Lokwan	1900	1900	Unch
	Bhopal	Lokwan	1700	1650	50
	Bina	Sarbati 306	2200	Closed	-
Rajasthan	Kota	LokwanBilty	1750	1750	Unch
	Baran	Lokwan	1700	1750	-50

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			13-Apr-17	12-Apr-17	
Delhi	Lawrence Road	Mill Delivery	10000	14000	-4000
	Narella	Mill Quality Loose	10000	Closed	-
	Nazafgarh	Mill Quality Loose	5000	Closed	-
Gujarat	Rajkot	Mill Quality Loose	15000	15000	Unch
	Dhrol	Mill Quality Loose	292	339	-47
M.P.	Indore	Mill Quality Loose	2000	3000	-1000
Rajasthan	Kota	Mill Quality	50000	70000	-20000
U.P.	Kanpur	Mill Quality Loose	4500	NR	-
	Mathura	Mill Quality Loose	12000	18000	-6000
	Kosi	Mill Quality Loose	25000	20000	5000
	Hathras	Mill Quality Loose	450	350	100
	Aligarh	Mill Quality Loose	1000	Closed	-
Punjab	Khanna	Mill Quality Loose	70000	30000	40000
	(Ludhiana)Jagraon	Mill Quality Loose	10000	10000	Unch
Haryana	Sirsa	Mill Quality Loose	15000	10000	5000
	Hodal	Mill Quality Loose	50000	75000	-25000
	Bhiwani	Mill Quality Loose	15000	15000	Unch

	Karnal	Mill Delivery	60000	40000	20000
	Panipat	Mill Quality Loose	37075	29660	7415

Wheat Products Delhi	13-Apr-17	12-Apr-17	Change
Atta (50kg) Ordinary	960	960	Unch
Maida Grade 1 (50KG)	1390	1390	Unch
Suji (50kg)	1465	1465	Unch
Chokar (50 kg)	814	814	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	1080	1080	Unch

Wheat (CBOT) Future Price:12.04.2017					
Contract Month	Open	High	Low	Close	Change
17-May	433.75	436.50	431.50	433.25	Unch
17-Jul	447.50	449.50	444.75	446.25	-1.25
17-Sep	460.50	463.00	458.75	459.75	-1.25
17-Dec	480.50	482.50	478.75	480.25	-0.75
18-Mar	497.00	498.50	495.25	496.50	-0.75
18-May	506.75	508.00	505.50	507.25	-0.50

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php> © 2017 Indian Agribusiness Systems Pvt Ltd.