

Wheat Domestic Fundamentals:

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 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.

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:

As per latest update, around 89 percent of soft wheat is in good or excellent condition compared to 90 percent a week earlier. Warm and dry weather has helped sowing of spring crops however it has raised concern about low moisture levels.

As per latest update, Japan's ministry of agriculture bought 126405 MMT of food quality wheat from United States, Australia and Canada. Around 68095 MMT has been bought from United States with minimum protein content of 14 percent to be loaded between May 21-June 20, 24190 MMT has been bought from Canada with minimum protein content of 13.5 percent to be loaded between June 21- July 20 and 34120 MMT from west Australia to be loaded between June 1-June 20.

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.

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	-1	1655	1659	1647	1657	3100	+2,060	11110	+590
17-June	0	1682	1690	1679	1687	1490	+560	5630	+980

Spread	Apr-17	May-17	Jun-17	
Spot Narela				
17-Apr	-35			
17-May		32		
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 14.04.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			14-Apr-17	13-Apr-17	
Delhi	Lawrence Road	Mill Delivery	1750	1750	Unch
	Narela	Mill Quality Loose	1660	1650	10
	Nazafgarh	Mill Quality Loose	1645	1620	25
Gujarat	Rajkot	Mill Delivery	1535	1540	-5
	Ahmedabad	Mill Delivery	1690	1700	-10
	Surat	Mill Delivery	1725	1725	Unch
	Dhrol	Mill Quality Loose	1805	1810	-5
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	1705	Unch
	Mathura	Mill Quality Loose	1550	1550	Unch
	Kosi	Mill Quality Loose	1540	1535	5
	Hathras	Mill Quality Loose	1580	1560	20
	Aligarh	Mill Quality Loose	1625	1625	Unch
Punjab	Khanna	Mill Quality Loose	1630	1625	5
	Ludhiana (Jagraon)	Mill Delivery	1735	1760	-25
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	1710	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	1580	1600	-20
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

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

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			14-Apr-17	13-Apr-17	
Delhi	Lawrence Road	Mill Delivery	12000	10000	2000
	Narella	Mill Quality Loose	15000	10000	5000
	Nazafgarh	Mill Quality Loose	3000	5000	-2000
Gujarat	Rajkot	Mill Quality Loose	12000	15000	-3000
	Dhrol	Mill Quality Loose	257	292	-35
M.P.	Indore	Mill Quality Loose	2000	2000	Unch
Rajasthan	Kota	Mill Quality	50000	50000	Unch
U.P.	Kanpur	Mill Quality Loose	NA	4500	-
	Mathura	Mill Quality Loose	12000	12000	Unch
	Kosi	Mill Quality Loose	15000	25000	-10000
	Hathras	Mill Quality Loose	500	450	50
	Aligarh	Mill Quality Loose	1000	1000	Unch
Punjab	Khanna	Mill Quality Loose	80000	70000	10000
	(Ludhiana)Jagraon	Mill Quality Loose	20000	10000	10000
Haryana	Sirsa	Mill Quality Loose	20000	15000	5000
	Hodal	Mill Quality Loose	50000	50000	Unch

	Bhiwani	Mill Quality Loose	10000	15000	-5000
	Karnal	Mill Delivery	50000	60000	-10000
	Panipat	Mill Quality Loose	31460	37075	-5615

Wheat Products Delhi	14-Apr-17	13-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:13.04.2017					
Contract Month	Open	High	Low	Close	Change
17-May	432.50	436.00	428.75	429.75	-3.50
17-Jul	445.75	448.75	442.25	442.75	-3.50
17-Sep	459.00	462.25	455.25	455.75	-4.00
17-Dec	480.50	483.00	476.25	476.75	-3.50
18-Mar	499.00	499.25	493.25	493.75	-2.75
18-May	509.25	509.25	505.25	505.50	-1.75

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