

Wheat Domestic Fundamentals:

Government may not increase import duty to 25% and keep it unchanged at 10% as it is expecting a production of 96.6 million tonnes. At prevailing duty of 10%, Indian flour millers are still importing wheat from Australia. Around 150000 tonnes of Australian wheat has been purchased for May shipment with a protein content of 9% at \$220-221 per tonne cost & freight.

As per latest update wheat arrival in Punjab and Haryana has crossed 100 lakh tonnes. Wheat arrival of around 51 lakh tonnes has been recorded in Punjab and around 50.5 lakh tonnes in Haryana. Government procured 67.52 lakh tonnes and 106.49 lakh tonnes in Haryana and Punjab respectively during last marketing season. For current marketing season government has kept a target of 115 lakh tonnes for Punjab and 75 lakh tonnes for Haryana.

Government agencies have started procurement since 15th March'17. Until 18th April'17 government has procured around 119.07 lakh tonnes of wheat compared to 104.68 lakh tonnes during the same period last year. Of the total quantity procured, around 30.55 lakh tonnes has been procured from Madhya Pradesh compared to 28.29 lakh tonnes last year, 47.16 lakh tonnes from Haryana compared to 44.56 lakh tonnes last year, 37.42 lakh tonnes from Punjab compared to 30.81 lakh tonnes last year, 2.31 lakh tonnes from Rajasthan, 1.56 lakh tonnes from Uttar Pradesh and 2000 tonnes from Gujarat. In Rabi marketing season 2017-18 government has set procurement target of 33 MMT.

Wheat WPI has decreased from 247.7 in February to 238.8 in March-2017. Monthly wheat inflation has decreased by 3.59 percent in March-17 compared to February-17. As compared to March-16, wheat WPI has increased by around 4.65% and by 10.81% compared to February -2015.

All India weekly average prices decreased by 2.24 percent to Rs. 1811.13 per quintal during the week ended 15th April 2017. Wheat average price were ruling at Rs 1852.57 per quintal during 01-08 April 2017. As compared to prices in the week 09-15 April 2016, the prices are firm by 4.83 percent. Prices are expected to remain range bound to slightly weak in coming days.

As per latest update, until 16th April around 37.15 lakh tonnes have arrived in Haryana. Traders and five government agencies have purchased 3000 tonnes and 37.12 lakh tonnes of wheat. Of the total quantity procured by government agencies around 9.36 lakh tonnes has been procured by food, civil supplies and consumer affairs department, 12.54 lakh tonnes by HAFED, 4.25 lakh tonnes by FCI, 3.09 lakh tonnes by Haryana Agro Industries corporation and 7.58 lakh tonnes by Haryana warehousing corporation. Highest arrivals were recorded in Kaithal (4.71 lakh tonnes) and Karnal (4.61 lakh tonnes) districts.

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, Japan's ministry of agriculture bought 95555 MMT of food quality wheat from United States and Canada. Around 70275 MMT has been bought from United States with protein content of 14 percent to be loaded between May 21-June 20 and 25280 MMT of western red spring wheat has been bought from Canada with minimum protein content of 13.5 percent to be loaded between June 21- July 20.

Farmers in Argentina are likely to sow around 5.5 million hectares in upcoming season 2017-18. Argentina is likely to harvest 17.5 million tonnes in 2017-18 season compared to 16.3 million tonnes in 2016-17. Sowing of wheat has increased since government has removed export taxes in 2015. Wheat is planted in Argentina during June-July and harvested in December-January.

South Korea's largest feedmaker Nonghyup feed incorporation purchased around 55000 tonnes of feed wheat. The said quantity is likely to arrive around 25th August and was purchased at \$192.74 per tonne cost & freight plus \$1.25 per tonne for port unloading.

As per latest update released by U.S. department of agriculture around 8% of winter wheat is in excellent condition, 46% in good condition, 33% in fair condition and around 13% in poor condition. Furthermore around 13% of spring wheat has been planted compared to 25% last year.

Russian wheat export prices remained flat as rouble increased by 1.6 percent against dollar. Black sea prices for Russian wheat with a protein content of 12.5% for April delivery settled at \$188 per tonne FoB. The price for May delivery was quoted at \$187 per tonne. Russia has exported 22.6 MMT of wheat between 1st July'16 and 13th April'17.

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

Wheat Futures Contract: NCDEX Price								Date:20.04.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-May	-1	1647	1650	1647	1650	560	-600	11280	100
17-June	-2	1680	1679	1676	1678	620	-420	7760	700
17-July	0	1709	1709	1709	1709	0	0	10	0

Spread	May-17	Jun-17	Jul-17	
Spot Narela				
17-May	10			
17-Jun		28		
17-Jul			31	

Stocks	Demat	In- Process	Total	FED
	19.Apr.17	19.Apr.17	19.Apr.17	17.Apr.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	4176	738	4914	3626
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 20.04.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			20-Apr-17	19-Apr-17	
Delhi	Lawrence Road	Mill Delivery	1725	1735	-10
	Narella	Mill Quality Loose	1640	Closed	-
	Nazafgarh	Mill Quality Loose	1610	Closed	-
Gujarat	Rajkot	Mill Delivery	1530	1530	Unch
	Ahmedabad	Mill Delivery	1675	1670	5
	Surat	Mill Delivery	1710	1710	Unch
	Dhrol	Mill Quality Loose	1750	1730	20
M.P.	Indore	Mill Delivery	1600	1600	Unch
	Bhopal	Mill Quality Loose	1600	1600	Unch
Rajasthan	Kota	Mill Quality Loose	1520	1510	10
		Mill Delivery	1600	1625	-25
U.P.	Kanpur	Mill Delivery	1715	1705	10
	Mathura	Mill Quality Loose	1550	1545	5
	Kosi	Mill Quality Loose	1535	1535	Unch
	Hathras	Mill Quality Loose	1625	1625	Unch
	Aligarh	Mill Quality Loose	1540	Closed	-
Punjab	Khanna	Mill Quality Loose	1625	1630	-5
	Ludhiana (Jagraon)	Mill Delivery	1730	1730	Unch
Haryana	Sirsa	Mill Delivery loose	1625	1625	Unch
	Hodal	Mill Delivery	1690	1690	Unch

	Bhiwani	Mill Quality Loose	1625	1625	Unch
	Karnal	Mill Delivery	1725	1725	Unch
	Panipat	Mill Quality Loose	1625	1625	Unch
Tamil Nadu	Chennai	Mill Quality	1950	2000	-50
	Madurai	Mill Quality	2007	2057	-50
	Coimbatore	Mill Quality	2007	2057	-50
Bihar	Khagariya	Mill Delivery	1600	1600	Unch
	Muzaffarpur	Mill Delivery	1610	1610	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			20-Apr-17	19-Apr-17	
Gujarat	Rajkot	Lokwan	1700	1750	-50
M.P.	Indore	Lokwan	1900	1900	Unch
	Bhopal	Lokwan	1675	1675	Unch
	Bina	Sarbati 306	2250	Closed	-
Rajasthan	Kota	LokwanBilty	1800	1750	50
	Baran	Lokwan	1700	1700	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			20-Apr-17	19-Apr-17	
Delhi	Lawrence Road	Mill Delivery	5000	9000	-4000
	Narella	Mill Quality Loose	10000	Closed	-
	Nazafgarh	Mill Quality Loose	3000	Closed	-
Gujarat	Rajkot	Mill Quality Loose	5000	7000	-2000
	Dhrol	Mill Quality Loose	130	203	-73
M.P.	Indore	Mill Quality Loose	2000	2000	Unch
Rajasthan	Kota	Mill Quality	40000	50000	-10000
U.P.	Kanpur	Mill Quality Loose	6000	5500	500
	Mathura	Mill Quality Loose	20000	25000	-5000
	Kosi	Mill Quality Loose	9000	12000	-3000
	Hathras	Mill Quality Loose	350	350	Unch
	Aligarh	Mill Quality Loose	500	Closed	-
Punjab	Khanna	Mill Quality Loose	150000	100000	50000
	(Ludhiana)Jagraon	Mill Quality Loose	50000	50000	Unch
Haryana	Sirsa	Mill Quality Loose	30000	30000	Unch
	Hodal	Mill Quality Loose	2000	5000	-3000
	Bhiwani	Mill Quality Loose	8000	10000	-2000

	Karnal	Mill Delivery	40000	40000	Unch
	Panipat	Mill Quality Loose	4370	31535	-27165

Wheat Products Delhi	20-Apr-17	19-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:19.04.2017					
Contract Month	Open	High	Low	Close	Change
17-May	421.50	425.75	417.50	419.00	-3.50
17-Jul	436.25	440.50	432.75	434.50	-2.50
17-Sep	449.50	454.25	447.00	448.50	-2.25
17-Dec	471.00	475.75	468.50	470.50	-1.50
18-Mar	489.50	492.75	486.25	488.00	-1.50
18-May	501.00	502.50	496.75	498.25	-2.75

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