

Wheat Domestic Fundamentals:

Government agencies have started procurement since 15th March'17. Until 20th April'17 government has procured around 150 lakh tonnes of wheat compared to 133.71 lakh tonnes during the same period last year. Of the total quantity procured, around 34.28 lakh tonnes has been procured from Madhya Pradesh compared to 30.36 lakh tonnes last year, 54.20 lakh tonnes from Haryana compared to 52.41 lakh tonnes last year, 55.32 lakh tonnes from Punjab compared to 48.73 lakh tonnes last year, 2.68 lakh tonnes from Uttar Pradesh compared to 77807 tonnes last year. In Rabi marketing season 2017-18 government has set procurement target of 330 LMT.

All India weekly average prices increased by 0.72 percent to Rs. 1824.13 per quintal during the week ended 23rd April 2017. Wheat average price were ruling at Rs 1811.13 per quintal during 09-15 April 2017. As compared to prices in the week 16-23 April 2016, the prices are firm by 5.41 percent. Prices are expected to remain range bound to slightly weak in coming days.

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.

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.

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:

Milling wheat prices kept on falling in Russia due to strengthening of Rouble and sufficient market supply. Furthermore, millers have enough stocks to keep prices down. Export prices for Russian milling wheat decreased by \$1-\$2 per tonne on weekly basis. Russian wheat with a protein content of 12.5% and 11.5% for April- May delivery settled at \$187-189/tonne FoB and \$182-184/tonne FoB respectively.

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.

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

Wheat Futures Contract: NCDEX Price								Date:21.04.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-May	-8	1650	1650	1641	1642	1270	+710	11730	+450
17-June	-8	1679	1680	1670	1671	720	+100	8260	+500
17-July	-8	1708	1700	1700	1700	0	0	10	0

Spread	May-17	Jun-17	Jul-17	
Spot Narela				
17-May	2			
17-Jun		29		
17-Jul			29	

Stocks	Demat	In- Process	Total	FED
	21.Apr.17	21.Apr.17	21.Apr.17	17.Apr.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	5715	1365	7080	3626
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 22.04.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			22-Apr-17	21-Apr-17	
Delhi	Lawrence Road	Mill Delivery	1725	1725	Unch
	Narella	Mill Quality Loose	1640	1590	50
	Nazafgarh	Mill Quality Loose	1595	1630	-35
Gujarat	Rajkot	Mill Delivery	1525	1525	Unch
	Ahmedabad	Mill Delivery	1670	1670	Unch
	Surat	Mill Delivery	1700	1700	Unch
	Dhrol	Mill Quality Loose	1770	1775	-5
M.P.	Indore	Mill Delivery	1600	1600	Unch
	Bhopal	Mill Quality Loose	1625	1625	Unch
Rajasthan	Kota	Mill Quality Loose	1520	1520	Unch
		Mill Delivery	1600	1600	Unch
U.P.	Kanpur	Mill Delivery	1715	1715	Unch
	Mathura	Mill Quality Loose	1530	1545	-15
	Kosi	Mill Quality Loose	1530	1530	Unch
	Hathras	Mill Quality Loose	NR	1625	-
	Aligarh	Mill Quality Loose	1625	1520	105
Punjab	Khanna	Mill Quality Loose	1630	1630	Unch
	Ludhiana (Jagraon)	Mill Delivery	1730	1730	Unch
Haryana	Sirsa	Mill Delivery loose	1625	1625	Unch

	Hodal	Mill Delivery	1680	1680	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	1950	1950	Unch
	Madurai	Mill Quality	2007	2007	Unch
	Coimbatore	Mill Quality	2007	2007	Unch
Bihar	Khagariya	Mill Delivery	1600	1600	Unch
	Muzaffarpur	Mill Delivery	1600	1600	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	1630	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			22-Apr-17	21-Apr-17	
Gujarat	Rajkot	Lokwan	1700	1700	Unch
M.P.	Indore	Lokwan	1900	1900	Unch
	Bhopal	Lokwan	1700	1700	Unch
	Bina	Sarbati 306	2300	2300	Unch
Rajasthan	Kota	Lokwan Bilty	1800	1800	Unch
	Baran	Lokwan	1700	1700	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			22-Apr-17	21-Apr-17	
Delhi	Lawrence Road	Mill Delivery	6000	8000	-2000
	Narella	Mill Quality Loose	6000	3000	3000
	Nazafgarh	Mill Quality Loose	2000	8000	-6000
Gujarat	Rajkot	Mill Quality Loose	3500	4000	-500
	Dhrol	Mill Quality Loose	68	135	-67
M.P.	Indore	Mill Quality Loose	1000	1500	-500
Rajasthan	Kota	Mill Quality	40000	40000	Unch
U.P.	Kanpur	Mill Quality Loose	NA	NA	-
	Mathura	Mill Quality Loose	8000	10000	-2000
	Kosi	Mill Quality Loose	8000	5000	3000
	Hathras	Mill Quality Loose	NR	350	-
	Aligarh	Mill Quality Loose	2000	2000	Unch
Punjab	Khanna	Mill Quality Loose	130000	200000	-70000
	(Ludhiana)Jagraon	Mill Quality Loose	60000	50000	10000
Haryana	Sirsa	Mill Quality Loose	25000	30000	-5000
	Hodal	Mill Quality Loose	2000	2000	Unch

	Bhiwani	Mill Quality Loose	7000	5000	2000
	Karnal	Mill Delivery	25000	40000	-15000
	Panipat	Mill Quality Loose	3970	4370	-400

Wheat Products Delhi	22-Apr-17	21-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 :21.04.2017					
Contract Month	Open	High	Low	Close	Change
17-May	406.00	408.00	400.00	405.00	-1.25
17-Jul	421.25	424.00	416.25	421.00	-0.75
17-Sep	436.00	438.75	431.25	435.50	-1.00
17-Dec	459.50	462.00	455.00	459.25	-0.25
18-Mar	479.00	480.75	474.00	478.25	0.50
18-May	488.25	491.00	484.75	488.75	0.50

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