

Wheat Domestic Fundamentals:

Government agencies have started procurement since 15th March'17. Until 03rd May'17 government has procured around 250 lakh tonnes of wheat. Of the total quantity procured, around 51.71 lakh tonnes has been procured from Madhya Pradesh, 71.16 lakh tonnes from Haryana, 110.43 lakh tonnes from Punjab and 9.78 lakh tonnes from Uttar Pradesh. In Rabi marketing season 2017-18 government has set procurement target of 330 LMT. Government has achieved 75.7% of its procurement target. Last year government was able to procure only 229 lakh tonnes due to lower production.

As per latest update, until 01st May over 69 lakh tonnes of wheat have arrived in Haryana compared to 64.59 lakh tonnes for the same period last year. Traders and five government agencies have purchased 5874 tonnes and 69.27 lakh tonnes of wheat respectively. Of the total quantity procured by government agencies around 17.02 lakh tonnes has been procured by food, civil supplies and consumer affairs department, 24.72 lakh tonnes by HAFED, 8.23 lakh tonnes by FCI, 6.36 lakh tonnes by Haryana Agro Industries corporation and 12.91 lakh tonnes by Haryana warehousing corporation. Sirsa is the leading district with 9.69 lakh metric tonnes of arrival.

All India weekly average prices increased by 0.28 percent to Rs. 1829.29 per quintal during the week ended 30th April 2017. Wheat average price were ruling at Rs 1824.13 per quintal during 16-23 April 2017. As compared to prices in the week 24-30 April 2016, the prices are firm by 3.69 percent. Prices are expected to remain range bound to slightly weak in coming days.

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:

IGC has increased its projection for wheat to 736 MMT as on 27th Apr-2017 for 2017-18. According to forecast by IGC for 2016-17 global wheat production was around 753 MMT against 736 MMT for 2015-16. The difference is around 17 MMT from previous estimate. Trade projection has been kept at 166 MMT. It is 5MMT lower compared to forecast for last year and same compared to 2015-16.

Export prices for Russian milling wheat decreased by \$1 per tonne on weekly basis. Russian wheat with a protein content of 12.5% and 11.5% for April- May delivery settled at \$186-188/tonne FoB and \$181-183/tonne FoB respectively. 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.

As per latest update, Tunisia has bought around 75000 tonnes of soft milling wheat in three consignments of 25000 tonnes each. The first consignment was bought at \$173.85/T C&F, second at \$186.73/T C&F and third at \$189.58/T C&F. The sellers were Europemarkets, Bunge and Nidera. The said quantity is to be delivered between June 25 and August 5.

CBOT wheat witnessed downtrend from April 13th 2017 until April 24th 2017. Fall in prices was witnessed due to weather conditions. Crop condition was improved due to rains in winter wheat growing regions. In the beginning of the week around 54% of the crop was in good or excellent conditions. As per forecast of meteorological department, weather will become more conducive for crop in coming days.

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

Wheat Futures Contract: NCDEX Price								Date:03.05.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-May	-25	1600	1596	1572	1575	3320	640	8950	-600
17-June	-25	1622	1622	1597	1601	4760	1,620	16110	1,830
17-July	-33	1631	1640	1628	1631	870	680	1040	490

Spread	May-17	Jun-17	Jul-17	
Spot Narela				
17-May	-60			
17-Jun		26		
17-Jul			30	

Stocks	Demat	In- Process	Total	FED
	02.May.17	02.May.17	02.May.17	01.May.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	11418	833	12251	10564
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 3.05.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			3-May-17	2-May-17	
Delhi	Lawrence Road	Mill Delivery	1710	1700	10
	Narela	Mill Quality Loose	Closed	1635	-
	Nazafgarh	Mill Quality Loose	Closed	1630	-
Gujarat	Rajkot	Mill Delivery	1475	1500	-25
	Ahmedabad	Mill Delivery	1670	1670	Unch
	Surat	Mill Delivery	1700	1700	Unch
	Dhrol	Mill Quality Loose	1665	1825	-160
M.P.	Indore	Mill Delivery	1600	1600	Unch
	Bhopal	Mill Quality Loose	1600	1600	Unch
Rajasthan	Kota	Mill Quality Loose	1500	1500	Unch
		Mill Delivery	1600	1600	Unch
U.P.	Kanpur	Mill Delivery	1710	1715	-5
	Mathura	Mill Quality Loose	1550	1550	Unch
	Kosi	Mill Quality Loose	1565	1543	22
	Hathras	Mill Quality Loose	1635	1625	10
	Aligarh	Mill Quality Loose	Closed	1625	-
Punjab	Khanna	Mill Quality Loose	1620	1635	-15
	Ludhiana (Jagraon)	Mill Delivery	1725	1725	Unch
Haryana	Sirsa	Mill Delivery loose	1625	1625	Unch
	Hodal	Mill Delivery	1690	1690	Unch

	Bhiwani	Mill Quality Loose	1650	1650	Unch
	Karnal	Mill Delivery	1645	1650	-5
	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	1650	1600	50
	Muzaffarpur	Mill Delivery	1575	1600	-25
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	1600	1600	Unch
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	1600	1600	Unch

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			3-May-17	2-May-17	
Gujarat	Rajkot	Lokwan	1700	1700	Unch
M.P.	Indore	Lokwan	1900	1900	Unch
	Bhopal	Lokwan	1650	1650	Unch
	Bina	Sarbati 306	Closed	2350	-
Rajasthan	Kota	Lokwan Bilty	1750	1750	Unch
	Baran	Lokwan	1700	1700	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			3-May-17	2-May-17	
Delhi	Lawrence Road	Mill Delivery	7000	7000	Unch
	Narella	Mill Quality Loose	Closed	2000	-
	Nazafgarh	Mill Quality Loose	Closed	500	-
Gujarat	Rajkot	Mill Quality Loose	2500	2500	Unch
	Dhrol	Mill Quality Loose	87	127	-40
M.P.	Indore	Mill Quality Loose	2000	2000	Unch
Rajasthan	Kota	Mill Quality	30000	35000	-5000
U.P.	Kanpur	Mill Quality Loose	8000	6500	1500
	Mathura	Mill Quality Loose	4000	4000	Unch
	Kosi	Mill Quality Loose	3500	6000	-2500
	Hathras	Mill Quality Loose	300	500	-200
	Aligarh	Mill Quality Loose	Closed	1200	-
Punjab	Khanna	Mill Quality Loose	6000	7000	-1000
	(Ludhiana)Jagraon	Mill Quality Loose	4000	4000	Unch
Haryana	Sirsa	Mill Quality Loose	5000	5000	Unch
	Hodal	Mill Quality Loose	500	1000	-500
	Bhiwani	Mill Quality Loose	3000	4000	-1000

	Karnal	Mill Delivery	10000	15000	-5000
	Panipat	Mill Quality Loose	810	810	Unch

Wheat Products Delhi	3-May-17	2-May-17	Change
Atta (50kg) Ordinary	960	960	Unch
Maida Grade 1 (50KG)	1340	1390	-50
Suji (50kg)	1415	1465	-50
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	1010	1080	-70

Wheat (CBOT) Future Price :02.05.2017					
Contract Month	Open	High	Low	Close	Change
17-May	445.75	450.75	440.00	441.50	-1.25
17-Jul	457.50	461.50	448.25	454.00	-2.00
17-Sep	469.25	474.00	462.00	468.00	-0.75
17-Dec	491.00	494.75	483.00	489.25	-0.75
18-Mar	507.75	511.00	500.00	506.00	-1.00
18-May	516.25	517.75	508.75	515.25	-0.75

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