

Wheat Domestic Fundamentals:

All India weekly average prices increased by 0.03 percent to Rs. 1829.75 per quintal during the week ended 08th May 2017. Wheat average price were ruling at Rs 1829.29 per quintal during 24-30 April 2017. As compared to prices in the week 01-08 May 2016, the prices are firm by 7.89 percent. Prices are expected to remain range bound to slightly weak in coming days.

As per latest update, until 04th May around 72.17 lakh tonnes of wheat have arrived in Haryana. Traders and five government agencies have purchased 6834 tonnes and 72.10 lakh tonnes of wheat respectively. Of the total quantity procured by government agencies around 17.82 lakh tonnes has been procured by food, civil supplies and consumer affairs department, 25.90 lakh tonnes by HAFED, 8.50 lakh tonnes by FCI, 6.61 lakh tonnes by Haryana Agro Industries corporation and 13.26 lakh tonnes by Haryana warehousing corporation. Sirsa is the leading district with 10.29 lakh metric tonnes of arrival. Grain quality is better this year compared to last year and there are no issues relating to higher moisture and pest.

Government agencies have started procurement since 15th March'17. Until 05th May'17 government has procured around 258 lakh tonnes of wheat. Of the total quantity procured, around 54.08 lakh tonnes has been procured from Madhya Pradesh, 72.01 lakh tonnes from Haryana, 112.20 lakh tonnes from Punjab and 11.40 lakh tonnes from Uttar Pradesh. In Rabi marketing season 2017-18 government has set procurement target of 330 LMT. Government has achieved 78.18% of its procurement target. Last year government was able to procure only 229 lakh tonnes due to lower production.

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:

As per latest update, Egypt has procured around 8.03 lakh tonnes of wheat since the beginning of its harvesting season from mid-April. This is down by around 0.7 lakh tonnes compared to previous year for the same period. Egypt's supply minister expects to procure around 3.8 million tonnes from local farmers until July.

As per latest update, turkey has removed tariff of 130 percent on Russian grain following the meeting between Russian President Vladimir Putin and his Turkish counterpart Recep Tayyip Erdogan in Sochi. Turkey introduced tariff on Russian grains after Moscow banned Turkish tomatoes. Turkey is the second largest export destination for Russia after Egypt.

The cost of shipping grains has fallen by around \$3 to \$5 per tonne to \$12 per tonne due to increased capacity. Ukraine harvested around 66 MMT of grains of which it was able to export around 42 MMT. The new export terminals launched in past years can handle more than 6 MMT and more terminals will be launched in coming years which will handle additional 15 MMT. The cost of shipping grains five years ago was around \$18-22 MMT.

Algeria's state grain agency OAIC has bought 250000 tonnes of durum wheat in a tender closed on Wednesday for shipment in June at around \$250 per tonne cost and freight. The purchase is likely to be done from Canada although the origin is optional.

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

Wheat Futures Contract: NCDEX Price								Date:08.05.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-May	+11	1584	1599	1583	1592	1190	+640	6910	-680
17-June	+7	1615	1618	1612	1617	1910	+810	17660	+510
17-July	+10	1644	1645	1644	1644	200	-220	1540	0

Spread	May-17	Jun-17	Jul-17	
Spot Narela				
17-May	-53			
17-Jun		25		
17-Jul			27	

Stocks	Demat	In- Process	Total	FED
	06.May.17	06.May.17	06.May.17	01.May.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	12385	381	12766	10564
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 08.05.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			8-May-17	6-May-17	
Delhi	Lawrence Road	Mill Delivery	1730	1720	10
	Narela	Mill Quality Loose	1645	1660	-15
	Nazafgarh	Mill Quality Loose	1640	1630	10
Gujarat	Rajkot	Mill Delivery	1460	1460	Unch
	Ahmedabad	Mill Delivery	1625	1635	-10
	Surat	Mill Delivery	1665	1665	Unch
	Dhrol	Mill Quality Loose	NR	1685	-
M.P.	Indore	Mill Delivery	1600	1600	Unch
	Bhopal	Mill Quality Loose	1625	1625	Unch
Rajasthan	Kota	Mill Quality Loose	1500	1500	Unch
		Mill Delivery	1600	1600	Unch
U.P.	Kanpur	Mill Delivery	1710	1720	-10
	Mathura	Mill Quality Loose	1590	1580	10
	Kosi	Mill Quality Loose	1575	1570	5
	Hathras	Mill Quality Loose	1600	1620	-20
	Aligarh	Mill Quality Loose	1625	1625	Unch
Punjab	Khanna	Mill Quality Loose	1635	1630	5
	Ludhiana (Jagraon)	Mill Delivery	1725	1725	Unch
Haryana	Sirsa	Mill Delivery loose	1625	1625	Unch
	Hodal	Mill Delivery	NR	1690	-

	Bhiwani	Mill Quality Loose	1670	1650	20
	Karnal	Mill Delivery	1650	1650	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	1650	1650	Unch
	Muzaffarpur	Mill Delivery	1575	1560	15
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	1600	1600	Unch
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	1600	1600	Unch

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			8-May-17	6-May-17	
Gujarat	Rajkot	Lokwan	1700	1700	Unch
M.P.	Indore	Lokwan	1900	1900	Unch
	Bhopal	Lokwan	1675	1675	Unch
	Bina	Sarbati 306	2350	2350	Unch
Rajasthan	Kota	LokwanBilty	1750	1750	Unch
	Baran	Lokwan	1700	1700	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			8-May-17	6-May-17	
Delhi	Lawrence Road	Mill Delivery	7000	10000	-3000
	Narella	Mill Quality Loose	1500	1500	Unch
	Nazafgarh	Mill Quality Loose	400	500	-100
Gujarat	Rajkot	Mill Quality Loose	1400	1300	100
	Dhrol	Mill Quality Loose	NR	60	-
M.P.	Indore	Mill Quality Loose	2500	2500	Unch
Rajasthan	Kota	Mill Quality	25000	25000	Unch
U.P.	Kanpur	Mill Quality Loose	1150	8600	-7450
	Mathura	Mill Quality Loose	2000	2000	Unch
	Kosi	Mill Quality Loose	3500	5000	-1500
	Hathras	Mill Quality Loose	150	350	-200
	Aligarh	Mill Quality Loose	400	700	-300
Punjab	Khanna	Mill Quality Loose	8000	10000	-2000
	(Ludhiana)Jagraon	Mill Quality Loose	4000	4000	Unch
Haryana	Sirsa	Mill Quality Loose	2000	2000	Unch
	Hodal	Mill Quality Loose	NR	NA	-
	Bhiwani	Mill Quality Loose	2000	2000	Unch

	Karnal	Mill Delivery	6000	3000	3000
	Panipat	Mill Quality Loose	NA	150	-

Wheat Products Delhi	8-May-17	6-May-17	Change
Atta (50kg) Ordinary	960	960	Unch
Maida Grade 1 (50KG)	1340	1340	Unch
Suji (50kg)	1415	1415	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	1010	1010	Unch

Wheat (CBOT) Future Price:05.05.2017					
Contract Month	Open	High	Low	Close	Change
17-May	428.00	428.00	427.50	427.50	1.50
17-Jul	438.50	444.00	436.00	442.25	4.50
17-Sep	452.75	457.75	450.00	456.25	4.00
17-Dec	473.75	478.25	471.25	476.25	3.25
18-Mar	490.75	494.75	488.75	493.25	3.00
18-May	503.75	504.50	503.75	504.50	2.75

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