

### 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, china has sold 341838 tonnes of wheat** for average price of 2508 yuan (\$363.13) per tonne at an auction of state reserves on Tuesday. The quantity sold represents around 12.51 percent of 2733581 tonnes of wheat available at auction.

**As per latest update, around 53% of winter wheat is in good or excellent condition** compared to 62% last year. Furthermore around 21% of spring wheat planted has emerged compared to 37% last year.

**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.

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

| Wheat Futures Contract: NCDEX Price |                       |      |      |      |       |        |                       | Date:09.05.2017 |                       |
|-------------------------------------|-----------------------|------|------|------|-------|--------|-----------------------|-----------------|-----------------------|
| Contract Month                      | Ch. from previous day | Open | High | Low  | Close | Volume | Ch. From previous day | OI              | Ch. From previous day |
| 17-May                              | -14                   | 1589 | 1593 | 1578 | 1578  | 2160   | 970                   | 5640            | -1,270                |
| 17-June                             | -9                    | 1616 | 1619 | 1603 | 1607  | 3430   | 1,520                 | 19150           | 1,490                 |
| 17-July                             | -15                   | 1639 | 1639 | 1630 | 1630  | 510    | 310                   | 1830            | 290                   |

| Spread      | May-17 | Jun-17 | Jul-17 |  |
|-------------|--------|--------|--------|--|
| Spot Narela |        |        |        |  |
| 17-May      | -87    |        |        |  |
| 17-Jun      |        | 29     |        |  |
| 17-Jul      |        |        | 23     |  |

| Stocks | Demat     | In- Process | Total     | FED       |
|--------|-----------|-------------|-----------|-----------|
|        | 08.May.17 | 08.May.17   | 08.May.17 | 08.May.17 |
| Delhi  | -         | -           | -         | -         |
| Itarsi | -         | -           | -         | -         |
| Kanpur | -         | -           | -         | -         |
| Kota   | 12664     | 101         | 12765     | 12665     |
| Rajkot | -         | -           | -         | -         |

## Wheat Daily Prices and Arrivals on 9.05.2017

| Centre    | Market             | Variety             | Prices (Rs/Qtl) |          | Change |
|-----------|--------------------|---------------------|-----------------|----------|--------|
|           |                    |                     | 9-May-17        | 8-May-17 |        |
| Delhi     | Lawrence Road      | Mill Delivery       | 1735            | 1730     | 5      |
|           | Narella            | Mill Quality Loose  | 1665            | 1645     | 20     |
|           | Nazafgarh          | Mill Quality Loose  | 1650            | 1640     | 10     |
| Gujarat   | Rajkot             | Mill Delivery       | 1445            | 1460     | -15    |
|           | Ahmedabad          | Mill Delivery       | 1665            | 1625     | 40     |
|           | Surat              | Mill Delivery       | 1700            | 1665     | 35     |
|           | Dhrol              | Mill Quality Loose  | 1740            | 1550     | 190    |
| M.P.      | Indore             | Mill Delivery       | 1600            | 1600     | Unch   |
|           | Bhopal             | Mill Quality Loose  | 1600            | 1625     | -25    |
| Rajasthan | Kota               | Mill Quality Loose  | 1510            | 1500     | 10     |
|           |                    | Mill Delivery       | 1610            | 1600     | 10     |
| U.P.      | Kanpur             | Mill Delivery       | 1715            | 1710     | 5      |
|           | Mathura            | Mill Quality Loose  | 1585            | 1590     | -5     |
|           | Kosi               | Mill Quality Loose  | 1580            | 1575     | 5      |
|           | Hathras            | Mill Quality Loose  | 1600            | 1600     | Unch   |
|           | Aligarh            | Mill Quality Loose  | 1625            | 1625     | Unch   |
| Punjab    | Khanna             | Mill Quality Loose  | 1630            | 1635     | -5     |
|           | Ludhiana (Jagraon) | Mill Delivery       | 1725            | 1725     | Unch   |
| Haryana   | Sirsa              | Mill Delivery loose | 1625            | 1625     | Unch   |
|           | Hodal              | Mill Delivery       | 1690            | NR       | -      |

|            |                               |                    |      |      |      |
|------------|-------------------------------|--------------------|------|------|------|
|            | Bhiwani                       | Mill Quality Loose | 1650 | 1670 | -20  |
|            | Karnal                        | Mill Delivery      | 1645 | 1650 | -5   |
|            | Panipat                       | Mill Quality Loose | 1625 | 1625 | Unch |
| Tamil Nadu | Chennai                       | Mill Quality       | 2150 | 1950 | 200  |
|            | Madurai                       | Mill Quality       | 2207 | 2007 | 200  |
|            | Coimbatore                    | Mill Quality       | 2207 | 2007 | 200  |
| Bihar      | Khagariya                     | Mill Delivery      | NR   | 1650 | -    |
|            | Muzaffarpur                   | Mill Delivery      | 1550 | 1575 | -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 |
|-----------|--------|-------------|-----------------|----------|--------|
|           |        |             | 9-May-17        | 8-May-17 |        |
| Gujarat   | Rajkot | Lokwan      | 1700            | 1700     | Unch   |
| M.P.      | Indore | Lokwan      | 1900            | 1900     | Unch   |
|           | Bhopal | Lokwan      | 1700            | 1675     | 25     |
|           | Bina   | Sarbati 306 | 2350            | 2350     | Unch   |
| Rajasthan | Kota   | LokwanBilty | 1700            | 1750     | -50    |
|           | Baran  | Lokwan      | 1650            | 1700     | -50    |

## Wheat Arrivals in Key Centers:

| Centre    | Market            | Variety            | Arrivals (Bags/Qtl) |          | Change |
|-----------|-------------------|--------------------|---------------------|----------|--------|
|           |                   |                    | 9-May-17            | 8-May-17 |        |
| Delhi     | Lawrence Road     | Mill Delivery      | 7000                | 7000     | Unch   |
|           | Narella           | Mill Quality Loose | 1500                | 1500     | Unch   |
|           | Nazafgarh         | Mill Quality Loose | 300                 | 400      | -100   |
| Gujarat   | Rajkot            | Mill Quality Loose | 1400                | 1400     | Unch   |
|           | Dhrol             | Mill Quality Loose | 28                  | 47       | -19    |
| M.P.      | Indore            | Mill Quality Loose | 1500                | 2500     | -1000  |
| Rajasthan | Kota              | Mill Quality       | 10000               | 25000    | -15000 |
| U.P.      | Kanpur            | Mill Quality Loose | 1250                | 1150     | 100    |
|           | Mathura           | Mill Quality Loose | 2000                | 2000     | Unch   |
|           | Kosi              | Mill Quality Loose | 4000                | 3500     | 500    |
|           | Hathras           | Mill Quality Loose | 450                 | 150      | 300    |
|           | Aligarh           | Mill Quality Loose | 300                 | 400      | -100   |
| Punjab    | Khanna            | Mill Quality Loose | 5000                | 8000     | -3000  |
|           | (Ludhiana)Jagraon | Mill Quality Loose | 4000                | 4000     | Unch   |
| Haryana   | Sirsa             | Mill Quality Loose | 2000                | 2000     | Unch   |
|           | Hodal             | Mill Quality Loose | 250                 | NR       | -      |
|           | Bhiwani           | Mill Quality Loose | 2000                | 2000     | Unch   |

|  |         |                    |      |      |      |
|--|---------|--------------------|------|------|------|
|  | Karnal  | Mill Delivery      | 7000 | 6000 | 1000 |
|  | Panipat | Mill Quality Loose | NA   | NA   | -    |

| Wheat Products Delhi         | 9-May-17 | 8-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:08.05.2017 |        |        |        |        |        |
|--------------------------------------|--------|--------|--------|--------|--------|
| Contract Month                       | Open   | High   | Low    | Close  | Change |
| 17-May                               | 426.00 | 426.00 | 418.00 | 418.00 | -9.50  |
| 17-Jul                               | 441.00 | 441.50 | 432.75 | 433.50 | -8.75  |
| 17-Sep                               | 455.25 | 455.50 | 448.00 | 448.75 | -7.50  |
| 17-Dec                               | 475.00 | 475.00 | 468.50 | 469.25 | -7.00  |
| 18-Mar                               | 489.50 | 491.25 | 486.25 | 487.00 | -6.25  |
| 18-May                               | 502.75 | 502.75 | 498.50 | 498.50 | -6.00  |

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