

Wheat Domestic Fundamentals:

As per latest update, until 09th May around 73.07 lakh tonnes of wheat have arrived in Haryana. Traders and five government agencies have purchased 6854 tonnes and 73 lakh tonnes of wheat respectively. Of the total quantity procured by government agencies around 18.03 lakh tonnes has been procured by food, civil supplies and consumer affairs department, 26.37 lakh tonnes by HAFED, 8.55 lakh tonnes by FCI, 6.70 lakh tonnes by Haryana Agro Industries corporation and 13.33 lakh tonnes by Haryana warehousing corporation.

As per third advance estimate for 2016-17 wheat production is likely to be around 97.4 MMT which is higher compared to second advance estimate of 96.6 MMT issued in February 2017. Grain quality is better this year compared to last year and there are no issues relating to higher moisture and pest. This year overall acreage is higher by around 4.5% over normal acreage of 304.05 lakh hectares.

As per latest update by IMD, India is likely to receive normal monsoon with 100 percent rainfall of the long period average instead of 96 percent. Monsoon between 96-104 percent is considered normal. Monsoon under 96 percent is considered below normal and between 104-110 percent above normal. Furthermore the occurrence of El Nino has also been reduced which has increased the likelihood of good monsoon.

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.

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.

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:10.05.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-May	0	1581	1584	1579	1581	2970	810	4220	-1,420
17-June	+1	1605	1609	1603	1606	3490	60	20540	1,390
17-July	-1	1630	1632	1630	1631	650	140	2010	180

Spread	May-17	Jun-17	Jul-17	
Spot Narela				
17-May	-84			
17-Jun		25		
17-Jul			25	

Stocks	Demat	In- Process	Total	FED
	09.May.17	09.May.17	09.May.17	08.May.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	12664	200	12864	12665
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 10.05.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			10-May-17	9-May-17	
Delhi	Lawrence Road	Mill Delivery	1740	1735	5
	Narela	Mill Quality Loose	Closed	1665	-
	Nazafgarh	Mill Quality Loose	Closed	1650	-
Gujarat	Rajkot	Mill Delivery	1460	1445	15
	Ahmedabad	Mill Delivery	1660	1665	-5
	Surat	Mill Delivery	1690	1700	-10
	Dhrol	Mill Quality Loose	1755	1740	15
M.P.	Indore	Mill Delivery	1600	1600	Unch
	Bhopal	Mill Quality Loose	1600	1600	Unch
Rajasthan	Kota	Mill Quality Loose	1510	1510	Unch
		Mill Delivery	1610	1610	Unch
U.P.	Kanpur	Mill Delivery	1710	1715	-5
	Mathura	Mill Quality Loose	1580	1585	-5
	Kosi	Mill Quality Loose	1580	1580	Unch
	Hathras	Mill Quality Loose	1600	1600	Unch
	Aligarh	Mill Quality Loose	Closed	1625	-
Punjab	Khanna	Mill Quality Loose	1630	1630	Unch
	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	1645	Unch
	Panipat	Mill Quality Loose	1625	1625	Unch
Tamil Nadu	Chennai	Mill Quality	2150	2150	Unch
	Madurai	Mill Quality	2207	2207	Unch
	Coimbatore	Mill Quality	2207	2207	Unch
Bihar	Khagariya	Mill Delivery	NR	NR	-
	Muzaffarpur	Mill Delivery	1550	1550	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	1600	1600	Unch
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	1600	1600	Unch

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			10-May-17	9-May-17	
Gujarat	Rajkot	Lokwan	1700	1700	Unch
M.P.	Indore	Lokwan	1900	1900	Unch
	Bhopal	Lokwan	1700	1700	Unch
	Bina	Sarbati 306	Closed	2350	-
Rajasthan	Kota	LokwanBilty	1700	1700	Unch
	Baran	Lokwan	1650	1650	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			10-May-17	9-May-17	
Delhi	Lawrence Road	Mill Delivery	13000	7000	6000
	Narella	Mill Quality Loose	Closed	1500	-
	Nazafgarh	Mill Quality Loose	Closed	300	-
Gujarat	Rajkot	Mill Quality Loose	1200	1400	-200
	Dhrol	Mill Quality Loose	66	28	38
M.P.	Indore	Mill Quality Loose	1500	1500	Unch
Rajasthan	Kota	Mill Quality	8000	10000	-2000
U.P.	Kanpur	Mill Quality Loose	1300	1250	50
	Mathura	Mill Quality Loose	2000	2000	Unch
	Kosi	Mill Quality Loose	3500	4000	-500
	Hathras	Mill Quality Loose	450	450	Unch
	Aligarh	Mill Quality Loose	Closed	300	-
Punjab	Khanna	Mill Quality Loose	4000	5000	-1000
	(Ludhiana)Jagraon	Mill Quality Loose	4000	4000	Unch
Haryana	Sirsa	Mill Quality Loose	1500	2000	-500
	Hodal	Mill Quality Loose	200	250	-50
	Bhiwani	Mill Quality Loose	2000	2000	Unch

	Karnal	Mill Delivery	6000	7000	-1000
	Panipat	Mill Quality Loose	400	NA	-

Wheat Products Delhi	10-May-17	9-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:09.05.2017					
Contract Month	Open	High	Low	Close	Change
17-May	421.00	423.25	420.50	421.75	3.75
17-Jul	433.50	434.50	428.50	429.50	-4.00
17-Sep	448.75	449.50	443.25	444.50	-4.25
17-Dec	469.50	470.25	463.50	464.50	-4.75
18-Mar	487.00	487.75	481.75	482.25	-4.75
18-May	498.25	498.25	493.75	493.75	-4.75

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