

Wheat Domestic Fundamentals:

FCI will sell 160500 tonnes of wheat through e-auction in Maharashtra, 16000 tonnes in Delhi and 2000 tonnes in Uttar Pradesh on 22nd June at various depots. The reserve price has been fixed at Rs 1790 per quintal plus freight and other taxes/charges. Government is likely to sell around 40 lakh tonnes of wheat in MY 2017-18 compared to 46 lakh tonnes in MY 2016-17.

Government agencies have started procurement since 15th March'17. Until 19th June'17 government has procured around 306.48 lakh tonnes of wheat. Of the total quantity procured, around 67.24 lakh tonnes has been procured from Madhya Pradesh, 74.11 lakh tonnes from Haryana, 117.05 lakh tonnes from Punjab, 35.62 lakh tonnes from Uttar Pradesh and 12.29 lakh tonnes from Rajasthan. In Rabi marketing season 2017-18 government has set procurement target of 330 LMT. Government has achieved 92.87% of its procurement target. Last year government was able to procure only 229 lakh tonnes due to lower production.

All India weekly average prices decreased by 5.40 percent to Rs. 1685.07 per quintal during the week ended 15th April 2017. Wheat average price were ruling at Rs 1781.34 per quintal during 01-08 April 2017. As compared to prices in the week 09th -15th April 2016, the prices are weak by 5.18 percent. Prices are expected to remain range bound to slightly weak in coming days.

As per market sources, Ukraine is offering wheat with 10.5 percent protein for CFR \$218-220 per tonne at Tuticorin port for July-August shipment. However due to good production, unsold stock at port silos and lower domestic prices buyers are not finding these prices attractive.

As per latest update, wheat stock in central pool as on 1st June'17 stood at 33.44 MMT up by 12.82% compared to last month. This quantity is higher by around 8.02% compared to last year for the same month. For the year 2017-18, FCI has decided to sell around 40 lakh tonnes of wheat. 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.

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.

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 by USDA around 49% of winter wheat and 41% of spring wheat is in good or excellent condition compared to 61% and 76% a year ago respectively. Further around 28% of winter wheat has been harvested.

Russian milling wheat export prices for old crop with 12.5% protein content at Novorossiysk port increased by \$ 1 per tonne reaching FoB \$189-192 per tonne for June delivery. This was mainly due to bullish trend in the world and decreased supply of food grains from Russia. Furthermore prices for the new crop also increased supported by concerns over the new crop due to unfavorable weather conditions.

As per latest update, china has sold 1809 tonnes of wheat for average price of 2436 yuan (\$356.45) per tonne at an auction of state reserves on Tuesday. The quantity sold represents around 0.43 percent of 3024632 tonnes of wheat available at auction.

Japan's ministry of agriculture bought 162286 MMT of food quality wheat from United States, Australia and Canada. Around 98536 MMT with minimum protein content of 14 percent has been bought from United States to be loaded between July 21 - August 20, 28620 MMT has been bought from Canada with minimum protein content of 13.5 percent to be loaded between August 21- September 20 and 35130 MMT of standard white has been bought from west Australia to be loaded between August 1-August 31.

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

Wheat Futures Contract: NCDEX Price								Date:20.06.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-July	-6	1628	1626	1622	1622	540	-1,040	24270	-90
17-Aug	-5	1650	1649	1645	1645	470	30	1980	290
17-Sep	0	1672	1672	1672	1672	-	-	-	-

Spread	Jul-17	Aug-17	Sep-17	
Spot Narela				
17-Jul	-38			
17-Aug		23		
17-Sep			27	

Stocks	Demat	In- Process	Total	FED
	19.Jun.17	19.Jun.17	19.Jun.17	19.Jun.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	14858	0	14858	14857
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 20.06.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			20-Jun-17	19-Jun-17	
Delhi	Lawrence Road	Mill Delivery	1740	1740	Unch
	Narella	Mill Quality Loose	1660	1660	Unch
	Nazafgarh	Mill Quality Loose	1640	1640	Unch
Gujarat	Rajkot	Mill Delivery	1515	1510	5
	Ahmedabad	Mill Delivery	1680	1690	-10
	Surat	Mill Delivery	1720	1720	Unch
	Dhrol	Mill Quality Loose	1775	1565	210
M.P.	Indore	Mill Delivery	1600	1625	-25
	Bhopal	Mill Quality Loose	1675	1675	Unch
Rajasthan	Kota	Mill Quality Loose	1530	1515	15
		Mill Delivery	1630	1615	15
U.P.	Kanpur	Mill Delivery	1740	NR	-
	Mathura	Mill Quality Loose	1570	1570	Unch
	Kosi	Mill Quality Loose	1580	1580	Unch
	Hathras	Mill Quality Loose	1550	1550	Unch
	Aligarh	Mill Quality Loose	1600	1600	Unch
Punjab	Khanna	Mill Quality Loose	NR	1600	-
	Ludhiana (Jagraon)	Mill Delivery	NR	NA	-
Haryana	Sirsa	Mill Delivery loose	1635	1640	-5
	Hodal	Mill Delivery	1690	1690	Unch

	Bhiwani	Mill Quality Loose	1615	1615	Unch
	Karnal	Mill Delivery	1650	1640	10
	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	1625	1625	Unch
	Muzaffarpur	Mill Delivery	1550	1500	50
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			20-Jun-17	19-Jun-17	
Gujarat	Rajkot	Lokwan	1750	1750	Unch
M.P.	Indore	Lokwan	1900	1900	Unch
	Bhopal	Lokwan	1700	1700	Unch
	Bina	Sarbati 306	NR	NR	-
Rajasthan	Kota	LokwanBilty	1750	1750	Unch
	Baran	Lokwan	1700	1700	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			20-Jun-17	19-Jun-17	
Delhi	Lawrence Road	Mill Delivery	5000	6000	-1000
	Narella	Mill Quality Loose	400	500	-100
	Nazafgarh	Mill Quality Loose	150	150	Unch
Gujarat	Rajkot	Mill Quality Loose	1300	1200	100
	Dhrol	Mill Quality Loose	120	45	75
M.P.	Indore	Mill Quality Loose	1500	1000	500
Rajasthan	Kota	Mill Quality	5000	5000	Unch
U.P.	Kanpur	Mill Quality Loose	12000	NR	-
	Mathura	Mill Quality Loose	1500	1000	500
	Kosi	Mill Quality Loose	4000	2000	2000
	Hathras	Mill Quality Loose	150	150	Unch
	Aligarh	Mill Quality Loose	800	250	550
Punjab	Khanna	Mill Quality Loose	NR	400	-
	(Ludhiana)Jagraon	Mill Quality Loose	NR	NA	-
Haryana	Sirsa	Mill Quality Loose	300	200	100
	Hodal	Mill Quality Loose	80	50	30
	Bhiwani	Mill Quality Loose	700	600	100

	Karnal	Mill Delivery	100	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	20-Jun-17	19-Jun-17	Change
Atta (50kg) Ordinary	985	985	Unch
Maida Grade 1 (50KG)	1315	1315	Unch
Suji (50kg)	1390	1390	Unch
Chokar (50 kg)	699	709	-10
Chokar (34 kg)	441	441	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:1506.2017					
Contract Month	Open	High	Low	Close	Change
17-Jul	463.75	473.25	458.50	467.00	1.75
17-Sep	480.00	489.25	475.00	483.00	1.50
17-Dec	501.25	509.00	496.00	503.75	1.00
18-Mar	515.50	523.75	512.25	518.25	-0.50
18-May	526.25	535.25	524.25	529.50	-1.00
18-Jul	535.00	542.00	531.75	537.00	-1.00

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