

**Wheat Domestic Fundamentals:**

**As per market sources, Ukraine is offering 2nd class wheat for CNF \$240 per tonne and 3rd class wheat for CNF \$235 per tonne at Mundra port.** Furthermore high quality Ukrainian wheat flour with protein content of 10.5% is being offered at FoB \$245 per tonne at Odessa port. However due to good production, unsold stock at port silos and lower domestic prices buyers are not finding these prices attractive.

**Government agencies have started procurement since 15th March'17. Until 20th June'17 government has procured around 306.54 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, 35.68 lakh tonnes from Uttar Pradesh and 12.30 lakh tonnes from Rajasthan. In Rabi marketing season 2017-18 government has set procurement target of 330 LMT. Government has achieved 92.89% of its procurement target. Last year government was able to procure only 229 lakh tonnes due to lower production.

**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.

**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 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:**

**Wheat crop in France and Spain are likely to be damaged by an upcoming heat wave whereas Germany, Poland and UK are likely to benefit from rain.** Forecast for soft wheat has been downgraded by 1.1 million tonnes to 141.6 million tonnes. France's crop was damaged last year as well due to unfavorable weather conditions.

**Egypt has concluded its local wheat procurement from farmers at 3.4 million tonnes,** just short of its target of 3.5-4 million tonnes. Furthermore Egypt has also purchased 350000 tonnes of durum wheat apart from 3.4 million tonnes which would be sold to local pasta factories.

**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.

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

Wheat Futures Contract: NCDEX Price								Date:22.06.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-July	0	1613	1616	1612	1615	600	-830	23920	-260
17-Aug	-2	1634	1635	1632	1635	460	-410	2720	270
17-Sep	0	1659	1659	1659	1659	-	-	-	-

Spread	Jul-17	Aug-17	Sep-17	
Spot Narela				
17-Jul	-55			
17-Aug		20		
17-Sep			24	

Stocks	Demat	In- Process	Total	FED
	21.Jun.17	21.Jun.17	21.Jun.17	19.Jun.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	14858	0	14858	14857
Rajkot	-	-	-	-

## Wheat Daily Prices and Arrivals on 22.06.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			22-Jun-17	21-Jun-17	
Delhi	Lawrence Road	Mill Delivery	1740	1740	Unch
	Narella	Mill Quality Loose	1670	Closed	-
	Nazafgarh	Mill Quality Loose	1630	Closed	-
Gujarat	Rajkot	Mill Delivery	1515	1510	5
	Ahmedabad	Mill Delivery	1700	1680	20
	Surat	Mill Delivery	1720	1710	10
	Dhrol	Mill Quality Loose	1620	1655	-35
M.P.	Indore	Mill Delivery	1625	1625	Unch
	Bhopal	Mill Quality Loose	1600	1675	-75
Rajasthan	Kota	Mill Quality Loose	1530	1530	Unch
		Mill Delivery	1630	1630	Unch
U.P.	Kanpur	Mill Delivery	1720	1740	-20
	Mathura	Mill Quality Loose	1560	1570	-10
	Kosi	Mill Quality Loose	1575	1580	-5
	Hathras	Mill Quality Loose	1560	1560	Unch
	Aligarh	Mill Quality Loose	1575	1590	-15
Punjab	Khanna	Mill Quality Loose	1600	1610	-10
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1635	1635	Unch
	Hodal	Mill Delivery	1690	1690	Unch

	Bhiwani	Mill Quality Loose	1620	1620	Unch
	Karnal	Mill Delivery	1640	1640	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	1600	1600	Unch
	Muzaffarpur	Mill Delivery	1550	1550	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			22-Jun-17	21-Jun-17	
Gujarat	Rajkot	Lokwan	1750	1750	Unch
M.P.	Indore	Lokwan	1900	1900	Unch
	Bhopal	Lokwan	1800	1700	100
	Bina	Sarbati 306	NR	NR	-
Rajasthan	Kota	LokwanBilty	1750	1750	Unch
	Baran	Lokwan	1650	1650	Unch

## Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			22-Jun-17	21-Jun-17	
Delhi	Lawrence Road	Mill Delivery	7000	7000	Unch
	Narella	Mill Quality Loose	700	Closed	-
	Nazafgarh	Mill Quality Loose	400	Closed	-
Gujarat	Rajkot	Mill Quality Loose	1200	1000	200
	Dhrol	Mill Quality Loose	475	NA	-
M.P.	Indore	Mill Quality Loose	1000	1000	Unch
Rajasthan	Kota	Mill Quality	4000	5000	-1000
U.P.	Kanpur	Mill Quality Loose	12000	NR	-
	Mathura	Mill Quality Loose	800	1000	-200
	Kosi	Mill Quality Loose	3000	2500	500
	Hathras	Mill Quality Loose	200	200	Unch
	Aligarh	Mill Quality Loose	800	700	100
Punjab	Khanna	Mill Quality Loose	700	500	200
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	300	-100
	Hodal	Mill Quality Loose	50	100	-50
	Bhiwani	Mill Quality Loose	500	500	Unch

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

Wheat Products Delhi	22-Jun-17	21-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	699	Unch
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:2106.2017					
Contract Month	Open	High	Low	Close	Change
17-Jul	473.50	473.75	463.50	464.50	-8.00
17-Sep	488.50	489.00	478.50	479.50	-8.25
17-Dec	509.00	510.00	501.00	502.00	-7.00
18-Mar	523.25	524.25	517.00	518.00	-5.00
18-May	535.00	535.00	528.00	529.50	-4.25
18-Jul	540.50	541.75	535.00	535.75	-4.75

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php> © 2017 Indian Agribusiness Systems Pvt Ltd.