

Wheat Domestic Fundamentals:

FCI will sell a total quantity 375000 tonnes of wheat in different states through e-auction on 29th June at a reserve price of Rs 1790 per quintal. Of the total quantity in OMSS, highest quantity of 157500 tonnes is offered in Maharashtra followed by 50000 tonnes in West Bengal, 30000 tonnes in Odisha, 29500 tonnes in Gujarat, 22500 tonnes in Kerala, 19200 tonnes in Karnataka, 16500 tonnes in Tamil Nadu, 16000 tonnes in Delhi, 15000 tonnes in Assam, 8300 tonnes in Chattisgarh, 3000 tonnes in Uttar Pradesh, 2000 tonnes in Andhra Pradesh, 1500 tonnes in Himachal Pradesh and 1000 tonnes in each J&k, Jharkhand, Pondicherry and Goa.

Government agencies have started procurement since 15th March'17. Until 23rd June'17 government has procured around 307.91 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, 36.99 lakh tonnes from Uttar Pradesh and 12.36 lakh tonnes from Rajasthan. In Rabi marketing season 2017-18 government has set procurement target of 330 LMT. Government has achieved 93.30% of its procurement target. Last year government was able to procure only 229 lakh tonnes due to lower production.

All India weekly average prices increased by 9.82 percent to Rs. 1850.5 per quintal during the week ended 23rd June 2017. Wheat average price were ruling at Rs 1685.07 per quintal during 09-15 June 2017. As compared to prices in the week 16th -23rd June 2016, the prices are firm by 4.70 percent. Prices are expected to remain range bound to slightly weak in coming days.

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.

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 FranceAgrimer, around 68 percent of the soft wheat crop in France was in good or excellent condition compared to 74 percent a week earlier. Crop condition became stable during May after rains however moisture levels are still at lower levels and recent heat wave can also hurt maturing crop. France's crop was damaged last year as well due to unfavorable weather conditions.

As per latest update, Japan's ministry of agriculture bought 135747 MMT of food quality wheat from United States, Australia and Canada. Around 69961 MMT with minimum protein content of 14 percent has been bought from United States to be loaded between July 21 - August 20, 31106 MMT has been bought from Canada with minimum protein content of 13.5 percent to be loaded between August 21- September 20 and 34680 MMT of standard white has been bought from west Australia to be loaded between August 1-August 31.

GASC has purchased 175000 tonnes of wheat through tender. Of the total quantity 120000 tonnes is of Romanian origin and 55000 tonnes is of Ukrainian origin. Cerealcon offered 60000 tonnes of Romanian wheat at FoB \$193.94 per tonne, Cofco offered 60000 tonnes of Romanian wheat at FoB \$195.00 per tonne and Aston offered 55000 tonnes of Ukrainian wheat at FoB \$190.13 per tonne.

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.

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

Wheat Futures Contract: NCDEX Price								Date:23.06.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-July	-2	1614	1613	1611	1612	690	+90	23330	-590
17-Aug	-1	1634	1634	1630	1633	730	+270	3400	+680
17-Sep	0	1654	1654	1654	1654	-	-	-	-

Spread	Jul-17	Aug-17	Sep-17	
Spot Narela				
17-Jul	-13			
17-Aug		21		
17-Sep			21	

Stocks	Demat	In- Process	Total	FED
	23.Jun.17	23.Jun.17	23.Jun.17	19.Jun.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	14908	0	14908	14857
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 24.06.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			24-Jun-17	23-Jun-17	
Delhi	Lawrence Road	Mill Delivery	1735	1740	-5
	Narella	Mill Quality Loose	1625	1630	-5
	Nazafgarh	Mill Quality Loose	1620	1630	-10
Gujarat	Rajkot	Mill Delivery	1525	1520	5
	Ahmedabad	Mill Delivery	1700	1700	Unch
	Surat	Mill Delivery	1725	1725	Unch
	Dhrol	Mill Quality Loose	NR	1700	-
M.P.	Indore	Mill Delivery	Closed	1600	-
	Bhopal	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality Loose	1515	1515	Unch
		Mill Delivery	1625	1625	Unch
U.P.	Kanpur	Mill Delivery	1755	1740	15
	Mathura	Mill Quality Loose	1550	1555	-5
	Kosi	Mill Quality Loose	1570	1575	-5
	Hathras	Mill Quality Loose	1540	1550	-10
	Aligarh	Mill Quality Loose	1565	1575	-10
Punjab	Khanna	Mill Quality Loose	1600	1610	-10
	Ludhiana (Jagraon)	Mill Delivery	Closed	NA	-
Haryana	Sirsa	Mill Delivery loose	1625	1635	-10
	Hodal	Mill Delivery	1690	1690	Unch

	Bhiwani	Mill Quality Loose	1630	1630	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
			24-Jun-17	23-Jun-17	
Gujarat	Rajkot	Lokwan	1750	1750	Unch
M.P.	Indore	Lokwan	Closed	1900	-
	Bhopal	Lokwan	Closed	Closed	-
	Bina	Sarbati 306	Closed	NR	-
Rajasthan	Kota	LokwanBilty	1750	1750	Unch
	Baran	Lokwan	1700	1700	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			24-Jun-17	23-Jun-17	
Delhi	Lawrence Road	Mill Delivery	12000	7000	5000
	Narella	Mill Quality Loose	600	500	100
	Nazafgarh	Mill Quality Loose	250	200	50
Gujarat	Rajkot	Mill Quality Loose	1000	1200	-200
	Dhrol	Mill Quality Loose	NR	51	-
M.P.	Indore	Mill Quality Loose	Closed	1000	-
Rajasthan	Kota	Mill Quality	6000	6000	Unch
U.P.	Kanpur	Mill Quality Loose	15600	15500	100
	Mathura	Mill Quality Loose	800	1200	-400
	Kosi	Mill Quality Loose	1500	3000	-1500
	Hathras	Mill Quality Loose	30	60	-30
	Aligarh	Mill Quality Loose	700	700	Unch
Punjab	Khanna	Mill Quality Loose	700	600	100
	(Ludhiana)Jagraon	Mill Quality Loose	Closed	NA	-
Haryana	Sirsa	Mill Quality Loose	200	300	-100
	Hodal	Mill Quality Loose	90	50	40
	Bhiwani	Mill Quality Loose	600	400	200

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

Wheat Products Delhi	24-Jun-17	23-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:2306.2017					
Contract Month	Open	High	Low	Close	Change
17-Jul	464.75	467.00	459.00	459.75	-1.50
17-Sep	477.50	480.50	472.50	473.50	-1.75
17-Dec	500.00	502.50	494.25	495.25	-2.25
18-Mar	516.25	518.75	510.75	511.75	-2.50
18-May	528.25	529.50	521.75	523.25	-2.75
18-Jul	534.50	534.50	526.75	528.00	-4.50

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.