

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 latest update, china has sold 5765 tonnes of wheat for average price of 2453 yuan (\$359.29) per tonne at an auction of state reserves on Tuesday. The quantity sold represents around 0.19 percent of 3020339 tonnes of wheat available at auction.

As per latest update by USDA around 49% of winter wheat and 40% of spring wheat is in good or excellent condition compared to 62% and 72% a year ago respectively. Further around 41% of winter wheat has been harvested.

Wheat prices in Russia have increased for the sixth week due to fear of crop loss in some of major producers and delayed local harvesting. Black sea wheat prices for new crop increased by \$0.5 per tonne to \$185.5 per tonne compared to last week. Furthermore good international demand is also supporting wheat prices in the black sea region. Russia has exported 26.6 million tonnes of wheat from July 01 to June 21.

As per latest update, wheat production in Ukraine is likely to be around 3 million tonnes to 23.1 million tonnes compared to last year due to unfavourable weather conditions. Overall grain harvest is likely to fall by around 10-11 percent to 59 million tonnes.

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.

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

Wheat Futures Contract: NCDEX Price							Date:27.06.2017		
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-July	-6	1627	1627	1586	1606	1570	880	22880	-450
17-Aug	-4	1633	1630	1607	1629	950	220	3730	330
17-Sep	0	1654	1654	1654	1654	-	-	-	-

Spread	Jul-17	Aug-17	Sep-17	
Spot Narela				
17-Jul	-4			
17-Aug		23		
17-Sep			25	

Stocks	Demat	In- Process	Total	FED
	26.Jun.17	26.Jun.17	26.Jun.17	26.Jun.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	14908	0	14908	14908
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 27.06.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			27-Jun-17	24-Jun-17	
Delhi	Lawrence Road	Mill Delivery	1715	1735	-20
	Narella	Mill Quality Loose	1610	1625	-15
	Nazafgarh	Mill Quality Loose	1630	1620	10
Gujarat	Rajkot	Mill Delivery	1530	1525	5
	Ahmedabad	Mill Delivery	1700	1700	Unch
	Surat	Mill Delivery	1725	1725	Unch
	Dhrol	Mill Quality Loose	1640	NR	-
M.P.	Indore	Mill Delivery	1600	Closed	-
	Bhopal	Mill Quality Loose	1650	Closed	-
Rajasthan	Kota	Mill Quality Loose	1510	1515	-5
		Mill Delivery	1620	1625	-5
U.P.	Kanpur	Mill Delivery	1740	1755	-15
	Mathura	Mill Quality Loose	Closed	1550	-
	Kosi	Mill Quality Loose	1525	1570	-45
	Hathras	Mill Quality Loose	1600	1540	60
	Aligarh	Mill Quality Loose	1550	1565	-15
Punjab	Khanna	Mill Quality Loose	1610	1600	10
	Ludhiana (Jagraon)	Mill Delivery	NA	Closed	-
Haryana	Sirsa	Mill Delivery loose	1625	1625	Unch

	Hodal	Mill Delivery	1690	1690	Unch
	Bhiwani	Mill Quality Loose	1630	1630	Unch
	Karnal	Mill Delivery	1645	1640	5
	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	NR	1550	-
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			27-Jun-17	24-Jun-17	
Gujarat	Rajkot	Lokwan	1750	1750	Unch
M.P.	Indore	Lokwan	1900	Closed	-
	Bhopal	Lokwan	1700	Closed	-
	Bina	Sarbati 306	NR	Closed	-
Rajasthan	Kota	Lokwan Bilty	1750	1750	Unch
	Baran	Lokwan	1700	1700	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			27-Jun-17	24-Jun-17	
Delhi	Lawrence Road	Mill Delivery	7000	12000	-5000
	Narella	Mill Quality Loose	300	600	-300
	Nazafgarh	Mill Quality Loose	200	250	-50
Gujarat	Rajkot	Mill Quality Loose	1000	1000	Unch
	Dhrol	Mill Quality Loose	465	NR	-
M.P.	Indore	Mill Quality Loose	2000	Closed	-
Rajasthan	Kota	Mill Quality	4000	6000	-2000
U.P.	Kanpur	Mill Quality Loose	15000	15600	-600
	Mathura	Mill Quality Loose	Closed	800	-
	Kosi	Mill Quality Loose	1500	1500	Unch
	Hathras	Mill Quality Loose	20	30	-10
	Aligarh	Mill Quality Loose	700	700	Unch
Punjab	Khanna	Mill Quality Loose	700	700	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	Closed	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	80	90	-10

	Bhiwani	Mill Quality Loose	400	600	-200
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	27-Jun-17	24-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 :26 06.2017					
Contract Month	Open	High	Low	Close	Change
17-Jul	458.00	460.75	449.25	450.00	-9.75
17-Sep	471.25	474.25	463.50	465.50	-8.00
17-Dec	494.00	496.25	486.25	488.00	-7.25
18-Mar	508.75	512.25	503.25	504.50	-7.25
18-May	520.00	523.50	515.00	515.75	-7.50
18-Jul	525.25	528.00	520.00	521.00	-7.00

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