

Wheat Domestic Fundamentals:

FCI will sell a total quantity 9700 tonnes of wheat in different states through e-auction on 13th July at a reserve price of Rs 1790 per quintal. Of the total quantity in OMSS, highest quantity of 4700 tonnes is offered in Uttarakhand followed by 4000 tonnes in Uttar Pradesh and 1000 tonnes in Jharkhand.

All India weekly average prices increased by 6.66 percent to Rs. 1786.77 per quintal during the week ended 08th July 2017. Wheat average price were ruling at Rs 1675.21 per quintal during 24-30 June 2017. As compared to prices in the week 01st -08th July 2016, the prices are weak by 0.99 percent. Prices are expected to remain steady to firm in coming days.

Government agencies have started procurement since 15th March'17. For Rabi marketing season 2017-18 government has procured 308 lakh tonnes. 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, 12.45 lakh tonnes from Rajasthan, 0.02 lakh tonnes from Uttarakhand, 0.08 lakh tonnes from Chandigarh and 0.06 lakh tonnes from Gujarat. In Rabi marketing season 2017-18 government has set procurement target of 330 LMT. Last year government was able to procure only 229 lakh tonnes due to lower production.

Sellers are offering Ukrainian origin wheat with protein content of 11.5% for August delivery at Tuticorin port for CFR \$209 per tonne. Buyers are likely to buy at CFR \$206 per tonne. However due to good production, unsold stock at port silos and lower domestic prices buyers are not finding these prices attractive.

India has extended exemption for crop fumigation by six month to 30th December 2017. Prior to this, India has stated that after 30th June 2017 the country would accept cargoes that are fumigated with methyl bromide at the port of origin. However this extension of six months comes with a cost as cargoes need to be fumigated at port of destination in India at five times the normal cost of fumigation. This will add up to \$ 11.18 per tonne for container shipment. Methyl bromide has been banned or restricted in many countries due to its unfriendly atmospheric properties.

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:

GASC has purchased 115000 tonnes of wheat through tender. Friends offered 55000 tonnes of Romanian wheat at FoB \$203.70 per tonne and Alegrow offered 60000 tonnes of Russian wheat at FoB \$240.75 per tonne.

France is expected to harvest 36.2 million tonnes of wheat in 2017 compared to 28.47 million tonnes in 2016. Wheat crop condition in France improved slightly as showers provided relief after a dry June. Ministry has estimated an average yield of 7.04 tonnes per hectare compared to 5.37 tonnes per hectare in 2016 whereas the area has been pegged at 5.15 million hectares.

As per data released France's custom department, there has been no export of soft wheat in the month of June to India. During July'16 to May'17 France has exported 107910 tonnes of soft wheat to India compared to zero tonnes a year ago during the same period.

Wheat area in Ukraine came to around 6.28 million hectares. Farmers have started harvesting wheat and as of now they have harvested around 615000 tonnes of wheat. The ministry has given no official forecast regarding production of wheat harvest but analysts believe it to be around 23-25 million tonnes.

As per latest update, Japan's ministry of agriculture bought 91660 MMT of food quality wheat from United States. Of the total quantity 37937 tonnes is western white, 18965 is hard red winter and 34758 is dark northern spring wheat to be loaded between August 21 - September 20.

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

Wheat Futures Contract: NCDEX Price								Date:10.07.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-July	-1	1644	1652	1639	1639	5050	-240	5930	-2,250
17-Aug	+1	1664	1673	1662	1662	7190	980	21080	2,600
17-Sep	0	1682	1682	1682	1682	-	-	-	-

Spread	Jul-17	Aug-17	Sep-17	
Spot Narela				
17-Jul	-76			
17-Aug		30		
17-Sep			20	

Stocks	Demat	In- Process	Total	FED
	8.Jul.17	8.Jul.17	8.Jul.17	3.Jul.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	14958	0	14958	14908
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 10.07.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			10-Jul-17	8-Jul-17	
Delhi	Lawrence Road	Mill Delivery	1770	1780	-10
	Narella	Mill Quality Loose	1715	1670	45
	Nazafgarh	Mill Quality Loose	1660	NR	-
Gujarat	Rajkot	Mill Delivery	Closed	Closed	-
	Ahmedabad	Mill Delivery	1700	1700	Unch
	Surat	Mill Delivery	1730	1725	5
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Delivery	1600	1600	Unch
	Bhopal	Mill Quality Loose	1600	1600	Unch
Rajasthan	Kota	Mill Quality Loose	1530	1515	15
		Mill Delivery	1630	1615	15
U.P.	Kanpur	Mill Delivery	1730	1730	Unch
	Mathura	Mill Quality Loose	1525	Closed	-
	Kosi	Mill Quality Loose	1585	1585	Unch
	Hathras	Mill Quality Loose	1560	1560	Unch
	Aligarh	Mill Quality Loose	1580	1600	-20
Punjab	Khanna	Mill Quality Loose	1650	1650	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1640	1640	Unch
	Hodal	Mill Delivery	1760	1735	25

	Bhiwani	Mill Quality Loose	1650	1625	25
	Karnal	Mill Delivery	1675	1680	-5
	Panipat	Mill Quality Loose	NR	NR	-
Tamil Nadu	Chennai	Mill Quality	1950	1950	Unch
	Madurai	Mill Quality	2007	2007	Unch
	Coimbatore	Mill Quality	2007	2007	Unch
Bihar	Khagariya	Mill Delivery	1700	1700	Unch
	Muzaffarpur	Mill Delivery	NR	1550	-
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	Closed	Closed	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	Closed	Closed	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			10-Jul-17	8-Jul-17	
Gujarat	Rajkot	Lokwan	Closed	Closed	-
M.P.	Indore	Lokwan	1900	1900	Unch
	Bhopal	Lokwan	1650	1700	-50
	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
			10-Jul-17	8-Jul-17	
Delhi	Lawrence Road	Mill Delivery	9000	8000	1000
	Narella	Mill Quality Loose	700	700	Unch
	Nazafgarh	Mill Quality Loose	250	NR	-
Gujarat	Rajkot	Mill Quality Loose	Closed	Closed	-
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Quality Loose	700	700	Unch
Rajasthan	Kota	Mill Quality	4000	3000	1000
U.P.	Kanpur	Mill Quality Loose	NA	18500	-
	Mathura	Mill Quality Loose	500	Closed	-
	Kosi	Mill Quality Loose	1000	900	100
	Hathras	Mill Quality Loose	60	200	-140
	Aligarh	Mill Quality Loose	200	200	Unch
Punjab	Khanna	Mill Quality Loose	600	500	100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	100	50	50
	Bhiwani	Mill Quality Loose	800	800	Unch

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

Wheat Products Delhi	10-Jul-17	8-Jul-17	Change
Atta (50kg) Ordinary	980	985	-5
Maida Grade 1 (50KG)	1315	1315	Unch
Suji (50kg)	1390	1390	Unch
Chokar (50 kg)	699	699	Unch
Chokar (34 kg)	447	441	6
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:7.07.2017					
Contract Month	Open	High	Low	Close	Change
17-Jul	515.75	524.00	514.50	515.25	-3.75
17-Sep	538.00	545.75	530.00	535.00	-4.00
17-Dec	560.75	567.75	552.00	557.75	-3.50
18-Mar	577.25	583.50	568.50	574.50	-3.50
18-May	586.25	590.50	576.75	582.75	-4.00
18-Jul	589.25	593.50	579.25	586.00	-4.75

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