

Wheat Domestic Fundamentals:

As per latest update, wheat stock in central pool as on 1st July'17 stood at 32.27 MMT down by 3.48% compared to last month. This quantity is higher by around 20.94% 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.

FCI will sell a total quantity 511700 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 281000 tonnes is offered in Maharashtra followed by 50000 tonnes in West Bengal, 30000 tonnes in Odhisa, 29500 tonnes in Gujarat, 20000 tonnes in Rajasthan, 16000 tonnes in Delhi, 19500 tonnes in Kerala, 13000 tonnes in Tamil Nadu, 15000 tonnes in Assam, 5500 tonnes in Chhattisgarh, 5000 tonnes in J&K, 4700 tonnes in Uttarakhand, 4500 tonnes in Uttar Pradesh, 1000 tonnes in Jharkhand, 1000 tonnes in Pondicherry, 1500 tonnes in Himachal Pradesh, 1000 tonnes in Andhra Pradesh and 2500 tonnes in Goa.

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.

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:

Rosario grains exchange has reduced acreage for wheat from 5.6 million hectares to 5.45 million hectares. The reduction in acreage is mainly attributed to early rains in the month of July and humid weather that hindered planting in Buenos Aires and Entre Rios provinces.

Wheat area in Ukraine came to around 6.28 million hectares. Farmers have started harvesting wheat and as of now they have harvested around 1.4 million 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, china has sold 3566 tonnes of wheat for average price of 2539 yuan (\$373.08) per tonne at an auction of state reserves on Tuesday. The quantity sold represents around 2.79 percent of 127786 tonnes of wheat available at auction.

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 what 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.

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

Wheat Futures Contract: NCDEX Price								Date:14.07.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-July	-1	1650	1650	1647	1650	300	280	2020	0
17-Aug	-2	1668	1669	1665	1668	1650	-10	22590	-470
17-Sep	0	1688	1690	1682	1688	40	0	280	0

Spread	Jul-17	Aug-17	Sep-17	
Spot Narela				
17-Jul	-30			
17-Aug		18		
17-Sep			20	

Stocks	Demat	In- Process	Total	FED
	13.Jul.17	13.Jul.17	13.Jul.17	10.Jul.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	15008	150	15208	15867
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 14.07.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			14-Jul-17	13-Jul-17	
Delhi	Lawrence Road	Mill Delivery	1760	1760	Unch
	Narella	Mill Quality Loose	1680	1695	-15
	Nazafgarh	Mill Quality Loose	1665	1665	Unch
Gujarat	Rajkot	Mill Delivery	Closed	Closed	-
	Ahmedabad	Mill Delivery	1710	1725	-15
	Surat	Mill Delivery	1750	1760	-10
	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	1550	1550	Unch
		Mill Delivery	1640	1640	Unch
U.P.	Kanpur	Mill Delivery	1735	1730	5
	Mathura	Mill Quality Loose	1525	1565	-40
	Kosi	Mill Quality Loose	1585	1580	5
	Hathras	Mill Quality Loose	1600	1580	20
	Aligarh	Mill Quality Loose	1580	1570	10
Punjab	Khanna	Mill Quality Loose	1650	1650	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1675	1665	10

	Hodal	Mill Delivery	1760	1760	Unch
	Bhiwani	Mill Quality Loose	1650	1650	Unch
	Karnal	Mill Delivery	1665	1660	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	1550	1550	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	Closed	Closed	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	Closed	Closed	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			14-Jul-17	13-Jul-17	
Gujarat	Rajkot	Lokwan	Closed	Closed	-
M.P.	Indore	Lokwan	1900	1900	Unch
	Bhopal	Lokwan	1650	1650	Unch
	Bina	Sarbati 306	2125	NR	-
Rajasthan	Kota	LokwanBilty	1750	1750	Unch
	Baran	Lokwan	1650	1725	-75

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			14-Jul-17	13-Jul-17	
Delhi	Lawrence Road	Mill Delivery	10000	10000	Unch
	Narella	Mill Quality Loose	600	700	-100
	Nazafgarh	Mill Quality Loose	150	200	-50
Gujarat	Rajkot	Mill Quality Loose	Closed	Closed	-
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Quality Loose	1000	1000	Unch
Rajasthan	Kota	Mill Quality	2000	2500	-500
U.P.	Kanpur	Mill Quality Loose	17000	18500	-1500
	Mathura	Mill Quality Loose	1200	1500	-300
	Kosi	Mill Quality Loose	1200	1500	-300
	Hathras	Mill Quality Loose	200	200	Unch
	Aligarh	Mill Quality Loose	200	200	Unch
Punjab	Khanna	Mill Quality Loose	700	700	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	100	100	Unch
	Hodal	Mill Quality Loose	50	50	Unch

	Bhiwani	Mill Quality Loose	400	800	-400
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NR	NR	-

Wheat Products Delhi	14-Jul-17	13-Jul-17	Change
Atta (50kg) Ordinary	980	980	Unch
Maida Grade 1 (50KG)	1315	1315	Unch
Suji (50kg)	1390	1390	Unch
Chokar (50 kg)	699	699	Unch
Chokar (34 kg)	499	499	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:13.07.2017					
Contract Month	Open	High	Low	Close	Change
17-Jul	516.00	516.00	495.50	495.50	-27.00
17-Sep	534.25	535.00	509.25	511.75	-25.25
17-Dec	558.00	558.25	532.50	535.00	-25.50
18-Mar	576.00	576.25	551.50	554.00	-24.75
18-May	584.75	585.25	562.25	565.00	-22.75
18-Jul	588.25	588.50	567.00	569.50	-21.25

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