

Wheat Domestic Fundamentals:

All India weekly average prices increased by 1.45 percent to Rs. 1812.64 per quintal during the week ended 15th July 2017. Wheat average price were ruling at Rs 1786.77 per quintal during 01-08 July 2017. As compared to prices in the week 09th -15th July 2016, the prices are firm by 2.23 percent. Prices are expected to remain steady to firm in coming days.

As per market sources, India has imported around 1.4 lakh tonnes of Australian wheat in the month of June at Tuticorin port. Furthermore Indian government has extended relaxation on methyl bromide fumigation until 30th December'17. Imports for 2017-18 are expected to be around 3-4 million tonnes compared to 6 million tonnes last year.

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.

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.

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, Japan's ministry of agriculture bought 93765 MMT of food quality wheat from United States and Australia. Around 62900 MMT with minimum protein content of 14 percent has been bought from United States to be loaded between August 21 - September 20 and 30865 MMT of standard white has been bought from west Australia to be loaded between September 1- September 30.

Wheat area in Ukraine came to around 6.28 million hectares. Farmers have started harvesting wheat and as of now they have harvested around 3.1 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.

Buenos Aires grains exchange has reduced acreage for wheat from 5.5 million hectares to 5.4 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. Furthermore, Rosario grains exchange has also reduced acreage for wheat from 5.6 million hectares to 5.45 million hectares.

Egypt is largest buyer of wheat in the world and has recently bought 115000 tonnes and 410000 tonnes in last two tenders from Russia and Romania. Egypt has imported around 5.58 million tonnes of wheat in 2016-17 compared to 4.4 million tonnes a year ago. It is expected to import 6.2 million tonnes of wheat in the coming financial year.

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.

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

Wheat Futures Contract: NCDEX Price								Date:17.07.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-July	+2	1650	1652	1650	1652	250	+230	1740	-280
17-Aug	-3	1668	1670	1664	1665	1810	+150	22190	-870
17-Sep	0	1692	1692	1686	1686	100	+60	370	+90

Spread	Jul-17	Aug-17	Sep-17	
Spot Narela				
17-Jul	-28			
17-Aug		13		
17-Sep			21	

Stocks	Demat	In- Process	Total	FED
	15.Jul.17	15.Jul.17	15.Jul.17	10.Jul.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	15157	50	15207	15867
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 17.07.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			17-Jul-17	15-Jul-17	
Delhi	Lawrence Road	Mill Delivery	1780	1780	Unch
	Narella	Mill Quality Loose	1680	1675	5
	Nazafgarh	Mill Quality Loose	1665	1665	Unch
Gujarat	Rajkot	Mill Delivery	1600	Closed	-
	Ahmedabad	Mill Delivery	1720	1710	10
	Surat	Mill Delivery	1760	1750	10
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Delivery	1625	1600	25
	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	1730	1735	-5
	Mathura	Mill Quality Loose	1610	1525	85
	Kosi	Mill Quality Loose	1580	1585	-5
	Hathras	Mill Quality Loose	1620	1565	55
	Aligarh	Mill Quality Loose	1590	1590	Unch
Punjab	Khanna	Mill Quality Loose	1650	1650	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1675	1670	5
	Hodal	Mill Delivery	1750	1750	Unch

	Bhiwani	Mill Quality Loose	1650	1650	Unch
	Karnal	Mill Delivery	1665	1665	Unch
	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	1750	1700	50
	Muzaffarpur	Mill Delivery	1500	1550	-50
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	Closed	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	Closed	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			17-Jul-17	15-Jul-17	
Gujarat	Rajkot	Lokwan	1750	Closed	-
M.P.	Indore	Lokwan	1900	1900	Unch
	Bhopal	Lokwan	1650	1650	Unch
	Bina	Sarbati 306	2200	2125	75
Rajasthan	Kota	LokwanBilty	1750	1750	Unch
	Baran	Lokwan	1700	1700	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			17-Jul-17	15-Jul-17	
Delhi	Lawrence Road	Mill Delivery	10000	8000	2000
	Narella	Mill Quality Loose	500	700	-200
	Nazafgarh	Mill Quality Loose	500	100	400
Gujarat	Rajkot	Mill Quality Loose	1000	Closed	-
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Quality Loose	1000	1000	Unch
Rajasthan	Kota	Mill Quality	1500	1500	Unch
U.P.	Kanpur	Mill Quality Loose	16500	17600	-1100
	Mathura	Mill Quality Loose	1000	1000	Unch
	Kosi	Mill Quality Loose	900	1000	-100
	Hathras	Mill Quality Loose	300	400	-100
	Aligarh	Mill Quality Loose	250	250	Unch
Punjab	Khanna	Mill Quality Loose	700	700	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	150	50	100
	Bhiwani	Mill Quality Loose	800	400	400

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

Wheat Products Delhi	17-Jul-17	15-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:14.07.2017					
Contract Month	Open	High	Low	Close	Change
17-Sep	512.50	520.50	507.00	510.75	-1.00
17-Dec	536.00	543.75	531.00	534.75	-0.25
18-Mar	554.00	562.75	550.50	554.25	0.25
18-May	565.75	572.75	561.25	565.00	Unch
18-Jul	569.75	577.00	566.25	569.00	-0.50
19-Mar	581.00	582.50	576.75	576.75	0.25

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