

Wheat Domestic Fundamentals:

As per market sources around 2-2.5 lakh tonnes of wheat have been contracted from Ukraine by south Indian millers for August-September delivery at \$216-220 per tonne CiF whereas Australia is also ready to provide wheat for \$275-280 per tonne CiF. The only fear importers are facing is an increase in import duty or abrupt change in phytosanitary measures. Furthermore wheat stocks at Indian port silos have also decreased. Imports are likely to affect off take from central pool as south Indian millers will prefer imported wheat over domestic wheat due to lower prices.

FCI will sell a total quantity 1359440 tonnes of wheat in different states through e-auction on 27th July at a reserve price of Rs 1790 per quintal. Of the total quantity in OMSS, highest quantity of 684040 tonnes is offered in Punjab followed by 209000 tonnes in Maharashtra, 173000 tonnes in Haryana, 60000 tonnes in West Bengal, 50000 tonnes in M.P, 30000 tonnes in Odisha, 29500 tonnes in Gujarat, 22100 tonnes in Karnataka, 20000 tonnes in Rajasthan, 16500 tonnes in Tamil Nadu, 16000 tonnes in Delhi, 14300 tonnes in Kerala, 10000 tonnes in Assam, 6500 tonnes in Chandigarh, 6500 tonnes in J&K, 5600 tonnes in Uttarakhand, 5000 tonnes in Uttar Pradesh, 1500 tonnes in Goa, 1500 tonnes in Himachal Pradesh, 1000 tonnes in Jharkhand, 1000 tonnes in Pondicherry and 1000 tonnes in Andhra Pradesh.

As per IMD, India has received cumulative rainfall of 103% of the benchmark LPA. The northwest and central regions have received rainfall with 116% and 113% of the LPA respectively whereas the southern peninsula and east/north-east region have received rainfall with 91% and 90% of the LPA respectively. IMD has further forecasted that rainfall is likely to decrease between July 27 and August 02. The only regions suffering with deficient rains include Kerala, Parts of Karnataka and Tamil Nadu.

As per latest update, India has exported 0.72 lakh tonnes of wheat in April-May 2017 compared to 1.09 lakh tonnes in April-May 2016. Whereas on the import front India has imported 2.18 lakh tonnes in April-May 2017 compared to 0.00 lakh tonnes in April-May 2016. Import is likely to be around 2-3 million tonnes in 2017-18 however, export will be lower due to higher domestic quotes compared to other major exporting countries.

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:

Wheat area in Ukraine came to around 6.28 million hectares. Farmers have started harvesting wheat from 2.5 million hectare of land and as of now they have harvested around 9.1 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.

As per Agritel, France is likely to harvest 36.6 million tonnes of soft wheat in 2017 up by 33 percent compared to last year. Yield is expected to be around 7.12 tonnes per hectare. Furthermore protein levels are likely to be more than 12 percent due to dry and hot weather in the end of growth cycle. As on 17th July farmers have harvested 66% of this year's soft wheat crop.

GASC has purchased 300000 tonnes of wheat through tender. Of the total quantity 120000 tonnes is of Russian origin, 120000 tonnes is of Romanian origin and 60000 tonnes is of French origin. Aston offered 60000 tonnes of Russian wheat at FoB \$203.45 per tonne, ADM offered 60000 tonnes of Romanian wheat at FoB \$204.60 per tonne, Ameropa offered 60000 tonnes of Romanian wheat at FoB \$206.08 per tonne, Solaris offered 60000 tonnes of Russian wheat at FoB \$204.94 per tonne, and Casillo offered 60000 tonnes of French wheat at FoB \$203 per tonne.

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.

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

Wheat Futures Contract: NCDEX Price								Date:25.07.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Aug	-3	1675	1677	1673	1673	1630	-620	18690	-490
17-Sep	-1	1705	1705	1698	1698	700	-670	3660	400
17-Oct	0	1722	1722	1722	1722	-	-	-	-

Spread	Aug-17	Sep-17	Oct-17	
Spot Narela				
17-Aug	-7			
17-Sep		25		
17-Oct			24	

Stocks	Demat	In- Process	Total	FED
	24.Jul.17	24.Jul.17	24.Jul.17	24.Jul.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	15207	0	15207	15234
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 25.07.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			25-Jul-17	24-Jul-17	
Delhi	Lawrence Road	Mill Delivery	1765	1765	Unch
	Narella	Mill Quality Loose	1680	1685	-5
	Nazafgarh	Mill Quality Loose	1655	1670	-15
Gujarat	Rajkot	Mill Delivery	1590	1590	Unch
	Ahmedabad	Mill Delivery	1745	1740	5
	Surat	Mill Delivery	1780	1780	Unch
	Dhrol	Mill Quality Loose	1590	Closed	-
M.P.	Indore	Mill Delivery	1650	1650	Unch
	Bhopal	Mill Quality Loose	1625	1625	Unch
Rajasthan	Kota	Mill Quality Loose	1575	1580	-5
		Mill Delivery	1650	1680	-30
U.P.	Kanpur	Mill Delivery	1740	1735	5
	Mathura	Mill Quality Loose	1590	1590	Unch
	Kosi	Mill Quality Loose	1585	1580	5
	Hathras	Mill Quality Loose	1630	1630	Unch
	Aligarh	Mill Quality Loose	1580	1600	-20
Punjab	Khanna	Mill Quality Loose	1650	1660	-10
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1710	1700	10

	Hodal	Mill Delivery	1740	1740	Unch
	Bhiwani	Mill Quality Loose	1660	1660	Unch
	Karnal	Mill Delivery	1670	1670	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	1750	Unch
	Muzaffarpur	Mill Delivery	1550	NR	-
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			25-Jul-17	24-Jul-17	
Gujarat	Rajkot	Lokwan	1800	1800	Unch
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1700	1700	Unch
	Bina	Sarbati 306	2200	2200	Unch
Rajasthan	Kota	LokwanBilty	1800	1800	Unch
	Baran	Lokwan	1700	1700	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			25-Jul-17	24-Jul-17	
Delhi	Lawrence Road	Mill Delivery	8000	8000	Unch
	Narella	Mill Quality Loose	600	700	-100
	Nazafgarh	Mill Quality Loose	400	200	200
Gujarat	Rajkot	Mill Quality Loose	900	1000	-100
	Dhrol	Mill Quality Loose	37	Closed	-
M.P.	Indore	Mill Quality Loose	1000	1000	Unch
Rajasthan	Kota	Mill Quality	2000	2500	-500
U.P.	Kanpur	Mill Quality Loose	22000	21000	1000
	Mathura	Mill Quality Loose	1200	700	500
	Kosi	Mill Quality Loose	800	700	100
	Hathras	Mill Quality Loose	30	30	Unch
	Aligarh	Mill Quality Loose	150	100	50
Punjab	Khanna	Mill Quality Loose	600	700	-100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	500	-300
	Hodal	Mill Quality Loose	100	100	Unch

	Bhiwani	Mill Quality Loose	500	600	-100
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NR	NR	-

Wheat Products Delhi	25-Jul-17	24-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:24.07.2017					
Contract Month	Open	High	Low	Close	Change
17-Sep	496.25	496.50	483.00	488.75	-10.50
17-Dec	521.25	521.25	507.75	513.50	-9.00
18-Mar	541.75	541.75	529.50	536.25	-6.75
18-May	552.25	552.25	540.75	547.00	-6.00
18-Jul	553.25	555.50	546.25	552.50	-5.50
18-Sep	562.75	563.75	558.25	563.75	-3.50

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