

Wheat Domestic Fundamentals:

FCI will sell a total quantity 1309513 tonnes of wheat in different states through e-auction on 03rd August at a reserve price of Rs 1790 per quintal. Of the total quantity in OMSS, highest quantity of 624150 tonnes is offered in Punjab followed by 207000 tonnes in Maharashtra, 173000 tonnes in Haryana, 60000 tonnes in West Bengal, 55000 tonnes in Odhisa, 48950 tonnes in M.P, 21950 tonnes in Karnataka, 20000 tonnes in Rajasthan, 18000 tonnes in Tamil Nadu, 16000 tonnes in Delhi, 15300 tonnes in Kerala, 10000 tonnes in Assam, 7663 tonnes in Uttar Pradesh 7100 tonnes in Chandigarh, 6500 tonnes in Chhattisgarh, 6000 tonnes in J&k, 5400 tonnes in Uttarakhand, 1000 tonnes in Goa, 1500 tonnes in Himachal Pradesh, 1000 tonnes in Jharkhand, 2000 tonnes in Pondicherry and 2000 tonnes in Bihar.

As per IMD, since the beginning of south-west monsoon the rains have been well distributed all over India except few areas in the south. The cumulative rainfall until Sunday in the country has been around 102 percent of the LPA and it is expected to be 99% of LPA in August which has 29 percent share in the overall monsoon rains. Until 28th July around 75 percent of Kharif sowing is done and because of normal rainfall this year better crop can be expected under normal conditions.

As per latest update, India has exported 41.15 thousand tonnes of wheat in the month of May'17 compared to 31.07 thousand tonnes in previous month. On import front India has imported 33 thousand tonnes of wheat in the month of May'17 compared to 185.17 thousand tonnes in the previous month. India is likely to import 3-4 million tonnes of wheat whereas exports are likely to be low as prices in India are ruling at higher side compared to other countries.

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.

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 on 28th July Russia has harvested 31.7 million tonnes of wheat compared to 33.0 million tonnes a year ago for the same date. Around 7.2 million hectares of area has been harvested with an average yield of 4.44 tonnes per hectare compared to 8.1 million hectares with an average yield of 4.09 tonnes per hectare a year ago for same date.

As per latest update by USDA around 31% of spring wheat is in good or excellent condition compared to 68% a year ago. Further around 88% of winter wheat has been harvested compared to 84% a week ago.

China has sold 4074 tonnes of imported wheat for average price of 2523 yuan (\$375.66) per tonne at an auction of state reserves. The quantity sold represents around 2.94 percent of 138265 tonnes of wheat available at auction.

Wheat prices in Russia have shown upward movement in the last two weeks mainly due to increased demand from Egypt and delay in harvesting. Wheat with 12.5% protein content was offered for \$193-196 per tonne FoB at Novorossiysk port compared to \$192-194 a week ago for the same port.

Wheat area in Ukraine came to around 6.28 million hectares. Farmers have started harvesting wheat from 4.4 million hectare of land and as of now they have harvested around 17 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.

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

Wheat Futures Contact: NCDEX Price								Date:01.08.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Aug	-13	1670	1670	1645	1657	3300	2,600	14460	-1,400
17-Sep	-16	1696	1691	1667	1680	2230	1,750	6540	1,330
17-Oct	0	1722	1722	1722	1722	-	-	-	-

Spread	Aug-17	Sep-17	Oct-17
Spot Narela			
17-Aug	-13		
17-Sep		23	
17-Oct			42

Stocks	Demat	In- Process	Total	FED
	31.Jul.17	31.Jul.17	31.Jul.17	31.Jul.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	15207	0	15207	15207
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 1.08.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			1-Aug-17	31-Jul-17	
Delhi	Lawrence Road	Mill Delivery	1770	1775	-5
	Narella	Mill Quality Loose	1670	1670	Unch
	Nazafgarh	Mill Quality Loose	1670	1675	-5
Gujarat	Rajkot	Mill Delivery	1600	1600	Unch
	Ahmedabad	Mill Delivery	1755	1750	5
	Surat	Mill Delivery	1790	1780	10
	Dhrol	Mill Quality Loose	1610	1655	-45
M.P.	Indore	Mill Delivery	1650	1650	Unch
	Bhopal	Mill Quality Loose	1650	1650	Unch
Rajasthan	Kota	Mill Quality Loose	1570	1570	Unch
		Mill Delivery	1650	1650	Unch
U.P.	Kanpur	Mill Delivery	1725	1715	10
	Mathura	Mill Quality Loose	Closed	Closed	-
	Kosi	Mill Quality Loose	1585	1585	Unch
	Hathras	Mill Quality Loose	1560	1560	Unch
	Aligarh	Mill Quality Loose	1600	1600	Unch
Punjab	Khanna	Mill Quality Loose	1650	NA	-
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1690	1700	-10
	Hodal	Mill Delivery	1740	1740	Unch

	Bhiwani	Mill Quality Loose	1680	1680	Unch
	Karnal	Mill Delivery	1655	1660	-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	1700	1700	Unch
	Muzaffarpur	Mill Delivery	1600	1550	50
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			1-Aug-17	31-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	1725	Closed	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			1-Aug-17	31-Jul-17	
Delhi	Lawrence Road	Mill Delivery	9000	7000	2000
	Narella	Mill Quality Loose	400	500	-100
	Nazafgarh	Mill Quality Loose	150	200	-50
Gujarat	Rajkot	Mill Quality Loose	900	2000	-1100
	Dhrol	Mill Quality Loose	91	94	-3
M.P.	Indore	Mill Quality Loose	1000	700	300
Rajasthan	Kota	Mill Quality	2500	2500	Unch
U.P.	Kanpur	Mill Quality Loose	1500	1000	500
	Mathura	Mill Quality Loose	Closed	Closed	-
	Kosi	Mill Quality Loose	1000	1000	Unch
	Hathras	Mill Quality Loose	85	150	-65
	Aligarh	Mill Quality Loose	200	200	Unch
Punjab	Khanna	Mill Quality Loose	600	NA	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	100	100	Unch
	Hodal	Mill Quality Loose	70	100	-30
	Bhiwani	Mill Quality Loose	400	1000	-600

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

Wheat Products Delhi	1-Aug-17	31-Jul-17	Change
Atta (50kg) Ordinary	960	960	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:31.07.2017					
Contract Month	Open	High	Low	Close	Change
17-Sep	478.75	480.75	471.50	474.50	-6.50
17-Dec	503.75	505.75	497.00	499.75	-6.25
18-Mar	523.75	526.25	518.50	520.75	-5.50
18-May	535.00	538.00	530.25	532.75	-5.25
18-Jul	544.00	545.00	538.00	540.50	-4.75
18-Sep	551.50	555.75	550.50	552.50	-3.25

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