

Wheat Domestic Fundamentals:

All India weekly average prices increased by 6.34 percent to Rs. 1884.72 per quintal during the week ended 08th August 2017. Wheat average price were ruling at Rs 1722.30 per quintal during 24-31 July 2017. As compared to prices in the week 01-08 August 2016, the prices are firm by 5.48 percent. Prices are expected to remain steady to firm in coming days.

India has received 518.3 mm of actual rainfall against 536.6 mm of normal rainfall since the beginning of monsoon season until 09th August. Northwest India is the only region to receive more than normal rainfall. During 17th to 23rd August rainfall activity is likely to be above normal over south peninsular India and adjoining central India. As of now neutral El Nino condition is prevailing and is likely to continue in the next two weeks.

India is likely to import 3-4 million tonnes of wheat in 2017-18 despite good production this year as wheat is available at lower prices in the international market. Traders in India have signed deals for import of 3 lakh tonnes of Ukrainian wheat recently and have imported 1.4 lakh tonnes from Australia in the month of June. More deals like these can be signed in near future. Furthermore analyst are expecting record crop in Russia at around 77 MMT, which will keep Russia's export quotes at a lower level. The only fear importers are facing is an increase in import duty or abrupt change in phytosanitary measures.

FCI will sell a total quantity 1094150 tonnes of wheat in different states through e-auction on 17th August at a reserve price of Rs 1790 per quintal. Of the total quantity in OMSS, highest quantity of 401000 tonnes is offered in Punjab followed by 220000 tonnes in Maharashtra, 173000 tonnes in Haryana, 60000 tonnes in West Bengal, 50000 tonnes in Odhisa, 48950 tonnes in M.P, 22000 tonnes in Tamil Nadu, 21800 tonnes in Karnataka, 20000 tonnes in Rajasthan, 17000 tonnes in Gujarat, 16500 tonnes in Kerala, 16000 tonnes in Delhi, 10000 tonnes in Assam, 7000 tonnes in Chandigarh, 5400 tonnes in Uttarakhand, 2000 tonnes in Bihar, 1500 tonnes in Himachal Pradesh, 1000 tonnes in Goa and 1000 tonnes in Jharkhand.

As per latest update, wheat stock in central pool as on 1st August'17 stood at 300.59 lakh tonnes down by 6.87% compared to last month. This quantity is higher by around 11.83% compared to last year for the same month. For the month of July off take from central pool was around 22.16 lakh tonnes compared to 33.02 lakh tonnes for July '2016 and 19.95 lakh tonnes for July'2015. Off take is likely to increase in the coming months due to seasonal demand. FCI is currently selling wheat through E-Auction at a reserve price of Rs. 1790 per quintal.

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 10th August Russia has harvested 47.0 million tonnes of wheat compared to 47.9 million tonnes a year ago for the same date. Around 10.8 million hectares of area has been harvested with an average yield of 4.36 tonnes per hectare compared to 12.4 million hectares with an average yield of 3.85 tonnes per hectare a year ago for same date.

Wheat area in Ukraine came to around 6.28 million hectares. Farmers have harvested 25.3 MMT of wheat and the total grain harvest is likely to be around 63 MMT in 2017 compared to 66 MMT last year.

CBOT reached two-month low at \$4.40 per bushel as USDA estimated U.S. total wheat production at 1.739 billion bushels which is well above the average of analyst updates at 1.711 billion bushels. Furthermore U.S. export sales of wheat in the last week were estimated at 464200 tonnes, above its expected range of 250000 to 450000 tonnes.

Jordan has bought 50000 tonnes of hard milling wheat in a tender closed on Wednesday at \$221.50 per tonne cost and freight to be shipped in first half of December. Recently Jordan has faced difficulty in purchasing wheat through tenders due to ambiguity about country's new quality control and payment.

As per latest update, china has sold 20316 tonnes of imported wheat for average price of 2423 yuan (\$363.21) per tonne at an auction of state reserves. The quantity sold represents around 1.64 percent of 1235724 tonnes of wheat available at auction.

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

Wheat Futures Contract: NCDEX Price								Date:11.08.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Aug	9	1634	1651	1634	1643	700	-5,130	5040	-500
17-Sep	9	1660	1678	1659	1669	1310	-3,390	15100	-40
17-Oct	-2	1679	1726	1689	1695	-	-	-	-

Spread	Aug-17	Sep-17	Oct-17	
Spot Narela				
17-Aug	-27			
17-Sep		26		
17-Oct			26	

Stocks	Demat	In- Process	Total	FED
	10.Aug.17	10.Aug.17	10.Aug.17	07.Aug.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	15207	0	15207	15207
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 12.08.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			12-Aug-17	11-Aug-17	
Delhi	Lawrence Road	Mill Delivery	1780	1780	Unch
	Narella	Mill Quality Loose	1670	1660	10
	Nazafgarh	Mill Quality Loose	1665	NR	-
Gujarat	Rajkot	Mill Delivery	1610	1610	Unch
	Ahmedabad	Mill Delivery	1760	1760	Unch
	Surat	Mill Delivery	1790	1800	-10
	Dhrol	Mill Quality Loose	NR	1670	-
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	1660	1660	Unch
U.P.	Kanpur	Mill Delivery	1725	1725	Unch
	Mathura	Mill Quality Loose	1580	1610	-30
	Kosi	Mill Quality Loose	1585	1585	Unch
	Hathras	Mill Quality Loose	1580	1570	10
	Aligarh	Mill Quality Loose	1600	1610	-10
Punjab	Khanna	Mill Quality Loose	1650	1650	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1710	1705	5
	Hodal	Mill Delivery	1750	1740	10

	Bhiwani	Mill Quality Loose	1670	1670	Unch
	Karnal	Mill Delivery	1670	1670	Unch
	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	1650	1650	Unch
	Muzaffarpur	Mill Delivery	1600	NA	-
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			12-Aug-17	11-Aug-17	
Gujarat	Rajkot	Lokwan	1800	1850	-50
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
			12-Aug-17	11-Aug-17	
Delhi	Lawrence Road	Mill Delivery	9000	10000	-1000
	Narella	Mill Quality Loose	300	500	-200
	Nazafgarh	Mill Quality Loose	300	NR	-
Gujarat	Rajkot	Mill Quality Loose	300	800	-500
	Dhrol	Mill Quality Loose	NR	48	-
M.P.	Indore	Mill Quality Loose	1500	2000	-500
Rajasthan	Kota	Mill Quality	3000	2000	1000
U.P.	Kanpur	Mill Quality Loose	1400	1500	-100
	Mathura	Mill Quality Loose	500	1000	-500
	Kosi	Mill Quality Loose	1000	700	300
	Hathras	Mill Quality Loose	30	NA	-
	Aligarh	Mill Quality Loose	200	150	50
Punjab	Khanna	Mill Quality Loose	600	400	200
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	100	60	40
	Bhiwani	Mill Quality Loose	400	400	Unch

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

Wheat Products Delhi	12-Aug-17	11-Aug-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:11.08.2017					
Contract Month	Open	High	Low	Close	Change
17-Sep	441.50	444.00	434.50	439.25	-1.25
17-Dec	469.00	472.00	462.25	467.00	-1.75
18-Mar	491.00	493.50	484.50	488.75	-1.50
18-May	505.50	508.25	500.00	503.75	-1.50
18-Jul	514.75	517.50	509.50	513.25	-1.00
18-Sep	527.25	531.25	523.25	526.50	-0.75

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