

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 per latest update by USDA on 13th August'17 around 33% of spring wheat is in good or excellent condition compared to 66% a year ago. Further around 97% of winter wheat has been harvested compared to 94% a week ago.

Wheat area in Ukraine came to around 6.28 million hectares. Farmers have harvested 26.0 MMT of wheat and the total grain harvest is likely to be around 63 MMT in 2017 compared to 66 MMT last year.

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.

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.

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

Wheat Futures Contract: NCDEX Price								Date:16.08.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Aug	-2	1673	1673	1663	1663	80	-230	5040	0
17-Sep	-2	1673	1673	1670	1670	210	-1,060	14610	-30
17-Oct	0	1697	1697	1697	1697	-	-	-	-

Spread	Aug-17	Sep-17	Oct-17	
Spot Narela				
17-Aug	-7			
17-Sep		7		
17-Oct			27	

Stocks	Demat	In- Process	Total	FED
	14.Aug.17	14.Aug.17	14.Aug.17	07.Aug.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	15207	0	15207	15207
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 16.08.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			16-Aug-17	12-Aug-17	
Delhi	Lawrence Road	Mill Delivery	1765	1780	-15
	Narella	Mill Quality Loose	Closed	1670	-
	Nazafgarh	Mill Quality Loose	Closed	1665	-
Gujarat	Rajkot	Mill Delivery	Closed	1610	-
	Ahmedabad	Mill Delivery	Closed	1760	-
	Surat	Mill Delivery	Closed	1790	-
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Delivery	1650	1650	Unch
	Bhopal	Mill Quality Loose	1650	1650	Unch
Rajasthan	Kota	Mill Quality Loose	Closed	1570	-
		Mill Delivery	Closed	1660	-
U.P.	Kanpur	Mill Delivery	1720	1725	-5
	Mathura	Mill Quality Loose	1590	1580	10
	Kosi	Mill Quality Loose	1585	1585	Unch
	Hathras	Mill Quality Loose	1620	1580	40
	Aligarh	Mill Quality Loose	Closed	1600	-
Punjab	Khanna	Mill Quality Loose	1650	1650	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1705	1710	-5
	Hodal	Mill Delivery	1780	1750	30

	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	Closed	1950	-
	Madurai	Mill Quality	Closed	2007	-
	Coimbatore	Mill Quality	Closed	2007	-
Bihar	Khagariya	Mill Delivery	1650	1650	Unch
	Muzaffarpur	Mill Delivery	NA	1600	-
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	Closed	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	Closed	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			16-Aug-17	12-Aug-17	
Gujarat	Rajkot	Lokwan	Closed	1800	-
M.P.	Indore	Lokwan	1900	2000	-100
	Bhopal	Lokwan	1700	1700	Unch
	Bina	Sarbati 306	Closed	2200	-
Rajasthan	Kota	LokwanBilty	Closed	1800	-
	Baran	Lokwan	Closed	1700	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			16-Aug-17	12-Aug-17	
Delhi	Lawrence Road	Mill Delivery	15000	9000	6000
	Narella	Mill Quality Loose	Closed	300	-
	Nazafgarh	Mill Quality Loose	Closed	300	-
Gujarat	Rajkot	Mill Quality Loose	Closed	300	-
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Quality Loose	2000	1500	500
Rajasthan	Kota	Mill Quality	Closed	3000	-
U.P.	Kanpur	Mill Quality Loose	1500	1400	100
	Mathura	Mill Quality Loose	800	500	300
	Kosi	Mill Quality Loose	800	1000	-200
	Hathras	Mill Quality Loose	30	30	Unch
	Aligarh	Mill Quality Loose	Closed	200	-
Punjab	Khanna	Mill Quality Loose	500	600	-100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	500	200	300
	Hodal	Mill Quality Loose	100	100	Unch
	Bhiwani	Mill Quality Loose	600	400	200

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

Wheat Products Delhi	16-Aug-17	12-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:15.08.2017					
Contract Month	Open	High	Low	Close	Change
17-Sep	440.00	440.25	428.00	429.50	-11.50
17-Dec	467.00	467.00	454.25	456.00	-11.75
18-Mar	487.00	487.25	475.75	477.25	-10.75
18-May	498.75	501.00	490.00	491.00	-11.75
18-Jul	512.75	512.75	500.50	501.75	-11.75
18-Sep	524.75	524.75	514.50	515.25	-12.00

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