

Wheat Domestic Fundamentals:

Import quotes for wheat from different origins to Tuticorin port has decreased compared to last week due to high carryover stocks with major exporting countries. Furthermore good production forecast for upcoming wheat crop of black sea region has also led to fall in quotes. As of now Tuticorin port price for APW is Rs 1860 per quintal, ASW is Rs 1790 per quintal and Ukraine is Rs 1690 per quintal.

FCI will sell a total quantity 1131350 tonnes of wheat in different states through e-auction on 24th August at a reserve price of Rs 1790 per quintal. Of the total quantity in OMSS, highest quantity of 401300 tonnes is offered in Punjab followed by 265000 tonnes in Maharashtra, 146450 tonnes in Haryana, 60000 tonnes in West Bengal, 50000 tonnes in Odhisa, 48950 tonnes in M.P, 25000 tonnes in Tamil Nadu, 22050 tonnes in Karnataka, 20000 tonnes in Rajasthan, 16700 tonnes in Kerala, 16500 tonnes in Gujarat, 16000 tonnes in Delhi, 7000 tonnes in Chandigarh, 6200 tonnes in Uttarakhand, 6200 tonnes in J&K, 5000 tonnes in Uttar Pradesh, 4500 tonnes in Chhattisgarh, 4000 tonnes in Assam, 3000 tonnes in Pondicherry, 2000 tonnes in Bihar, 2000 tonnes in Andhra Pradesh, 1500 tonnes in Himachal Pradesh, 1000 tonnes in Goa and 1000 tonnes in Jharkhand.

All India weekly average prices decreased by 6.46 percent to Rs. 1762.94 per quintal during the week ended 15th August 2017. Wheat average price were ruling at Rs 1884.72 per quintal during 01-08 August 2017. As compared to prices in the week 09-15 August 2016, the prices are weak by 1.49 percent. Prices are expected to remain steady to firm in coming days.

As per fourth advance estimate for 2016-17 wheat production is likely to be around 98.8 MMT which is higher compared to third advance estimate of 97.4 MMT. The total food grain production has been pegged at 275.68 MMT compared to 251.57 MMT in final estimate of 2015-16.

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.

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 forecast of IKAR, Russia is likely to produce a record 79-82 MMT of wheat in 2017 compared to 77-80 MMT in 2016. The rise in production is mainly due to good yield this year (4.27 tonnes per hectare) compared to last year (3.63 tonnes per hectare).

Saudi Arabia's main state wheat buying agency the Saudi Grains Organization (SAGO) has purchased 490000 tonnes of hard wheat. The quantity will be shipped in 8 consignments with 5 to be shipped at port of Jeddah and rest at port of Dammam. Of the total quantity to be shipped at Jeddah port, 60000 tonnes was bought from ADM at \$214.78 C&F, 60000 tonnes was bought from Holbud limited at \$216.43 C&F, 60000 tonnes was bought from Holbud at \$216.98 C&F, 60000 tonnes was bought from Graincorp at \$214.47 C&F and 60000 tonnes was bought from Holbud at \$218.10 C&F. For Dammam port, and 60000 tonnes was bought from Cargill at \$220.97 C&F, and 60000 tonnes was bought from Holbud at \$222.38 C&F and and 60000 tonnes was bought from Graincorp at \$221.47 C&F.

As per latest update by USDA on 21st August'17 around 34% of spring wheat is in good or excellent condition compared to 66% a year ago. Further around 58% of spring wheat has been harvested compared to 63% a week ago.

As on 17th August Russia has harvested 55.7 million tonnes of wheat compared to 52.2 million tonnes a year ago for the same date. Around 13.0 million hectares of area has been harvested with an average yield of 4.27 tonnes per hectare compared to 14.4 million hectares with an average yield of 3.63 tonnes per hectare a year ago for same date.

GASC has purchased 355000 tonnes of wheat through tender. Of the total quantity 295000 tonnes is of Russian origin and 60000 tonnes is of Ukrainian origin. Union offered 120000 tonnes of Russian wheat at FoB \$193.80 per tonne, Louis Dreyfus offered 60000 tonnes of Ukrainian wheat at FoB \$193.80 per tonne, ECTP offered 60000 tonnes of Russian wheat at FoB \$193.80 per tonne, Louis Dreyfus offered 60000 tonnes of Russian wheat at FoB \$193.80 per tonne and Union offered 55000 tonnes of Russian wheat at FoB \$192.20 per tonne.

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

Wheat Futures Contract: NCDEX Price							Date:23.08.2017		
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Sep	-12	1664	1658	1652	1652	590	-110	15680	360
17-Oct	-16	1688	1680	1672	1672	450	240	1230	390
17-Nov	0	1712	1712	1712	1712	-	-	-	-

Spread	Sep-17	Oct-17	Nov-17	
Spot Narela				
17-Sep	-8			
17-Oct		20		
17-Nov			40	

Stocks	Demat	In- Process	Total	FED
	21.Aug.17	21.Aug.17	21.Aug.17	20.Aug.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	15207	0	15207	15234
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 23.08.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			23-Aug-17	22-Aug-17	
Delhi	Lawrence Road	Mill Delivery	1765	1760	5
	Narella	Mill Quality Loose	Closed	1660	-
	Nazafgarh	Mill Quality Loose	Closed	1665	-
Gujarat	Rajkot	Mill Delivery	Closed	Closed	-
	Ahmedabad	Mill Delivery	1750	1760	-10
	Surat	Mill Delivery	1800	1800	Unch
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Delivery	1660	1660	Unch
	Bhopal	Mill Quality Loose	1675	1675	Unch
Rajasthan	Kota	Mill Quality Loose	1560	1560	Unch
		Mill Delivery	1650	1650	Unch
U.P.	Kanpur	Mill Delivery	1700	1715	-15
	Mathura	Mill Quality Loose	1575	1575	Unch
	Kosi	Mill Quality Loose	1575	1570	5
	Hathras	Mill Quality Loose	1600	1600	Unch
	Aligarh	Mill Quality Loose	Closed	1600	-
Punjab	Khanna	Mill Quality Loose	1675	NA	-
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1700	1700	Unch
	Hodal	Mill Delivery	1780	1780	Unch

	Bhiwani	Mill Quality Loose	1680	1670	10
	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	1600	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	Closed	Closed	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	Closed	Closed	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			23-Aug-17	22-Aug-17	
Gujarat	Rajkot	Lokwan	Closed	Closed	-
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1750	1725	25
	Bina	Sarbati 306	Closed	2300	-
Rajasthan	Kota	LokwanBilty	1800	1750	50
	Baran	Lokwan	1700	1700	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			23-Aug-17	22-Aug-17	
Delhi	Lawrence Road	Mill Delivery	8000	9000	-1000
	Narella	Mill Quality Loose	Closed	400	-
	Nazafgarh	Mill Quality Loose	Closed	200	-
Gujarat	Rajkot	Mill Quality Loose	Closed	Closed	-
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Quality Loose	1000	1500	-500
Rajasthan	Kota	Mill Quality	8000	8000	Unch
U.P.	Kanpur	Mill Quality Loose	1200	800	400
	Mathura	Mill Quality Loose	600	500	100
	Kosi	Mill Quality Loose	700	800	-100
	Hathras	Mill Quality Loose	350	200	150
	Aligarh	Mill Quality Loose	Closed	200	-
Punjab	Khanna	Mill Quality Loose	600	NA	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	NA	30	-
	Bhiwani	Mill Quality Loose	500	400	100

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

Wheat Products Delhi	23-Aug-17	22-Aug-17	Change
Atta (50kg) Ordinary	960	960	Unch
Maida Grade 1 (50KG)	1315	1315	Unch
Suji (50kg)	1390	1390	Unch
Chokar (50 kg)	729	729	Unch
Chokar (34 kg)	489	489	Unch
Chakki Atta (50kg)	995	995	Unch
Chakki Atta (50kg) Special	995	995	Unch
Chakki Atta (90kg) Superfine	NA	NA	-
Chakki Atta (50kg) Superfine	1080	1080	Unch

Wheat (CBOT) Future Price:22.08.2017					
Contract Month	Open	High	Low	Close	Change
17-Sep	410.75	413.00	402.00	402.25	-7.25
17-Dec	438.25	440.50	428.75	429.00	-8.00
18-Mar	461.50	463.25	452.50	452.75	-7.50
18-May	475.00	477.50	467.25	467.75	-6.75
18-Jul	489.25	491.00	481.00	481.50	-6.75
18-Sep	505.00	506.50	497.00	497.25	-6.75

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