

Wheat Domestic Fundamentals:

Most of the markets remained closed due to Ganesh Chaturdashi and no major trading activities were reported.

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:

IGC has raised its forecast for global wheat crop due to better than expected crop in black sea region. The global wheat crop in 2017-18 is expected to be around 742 MMT, up by 10 MMT from IGC previous forecast. IGC has raised its wheat crop forecast for Russia and Ukraine to 80 MMT and 26 MMT respectively which will offset fall in Canada's wheat production. Russia is also expected to be top exporter of wheat in 2017-18.

As per latest update, Japan's ministry of agriculture bought 133791 MMT of food quality wheat from United States and Canada. Around 98574 MMT with minimum protein content of 14 percent has been bought from United States and 35217 MMT has been bought from Canada with minimum protein content of 13.5 percent to be loaded between August 21 and September 20.

Government of Argentina has reduced its forecast for wheat planted area for 2017-18 to 5.78 million hectares down from 5.9 million hectares. Flooding in past months led to excessive water logging in fields which has prevented planting in many areas in Argentina.

Algeria state grains agency OAIC has bought around 590000 tonnes of milling wheat in a tender that closed on Tuesday. The prices paid were in the range of \$200.00 - \$201.00 per tonne (Cost and Freight). The quantity to be shipped is due in November. Major part of the quantity is likely to be sourced from France and Baltic states but some quantity can come from United States as well.

Russian milling wheat prices with 12.5% protein content decreased by around \$9-11 per tonne compared to last week. The fall in prices was due to higher production forecast and improved crop condition. Russia is expected to produce 78-80 MMT of wheat this year compared to 72 MMT last year. As of now Russian milling wheat with 12.5% protein content at Novorossiysk port is being quoted at FoB \$179-183/tonne whereas milling wheat with 11.5% protein content is being quoted at FoB \$168-173/tonne.

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

Wheat Futures Contract: NCDEX Price								Date:24.08.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Sep	-5	1655	1657	1649	1650	1710	1,120	15280	-400
17-Oct	-5	1675	1678	1668	1670	1260	810	2200	970
17-Nov	+5	1695	1700	1700	1700	10	-	10	-

Spread	Sep-17	Oct-17	Nov-17	
Spot Narela				
17-Sep	0			
17-Oct		20		
17-Nov			30	

Stocks	Demat	In- Process	Total	FED
	23.Aug.17	23.Aug.17	23.Aug.17	21.Aug.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	15207	0	15207	15234
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 25.08.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			25-Aug-17	24-Aug-17	
Delhi	Lawrence Road	Mill Delivery	1765	1765	Unch
	Narella	Mill Quality Loose	1650	1655	-5
	Nazafgarh	Mill Quality Loose	NR	1670	-
Gujarat	Rajkot	Mill Delivery	Closed	Closed	-
	Ahmedabad	Mill Delivery	1750	1750	Unch
	Surat	Mill Delivery	1790	1790	Unch
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Delivery	Closed	1660	-
	Bhopal	Mill Quality Loose	Closed	1660	-
Rajasthan	Kota	Mill Quality Loose	Closed	1560	-
		Mill Delivery	Closed	1650	-
U.P.	Kanpur	Mill Delivery	1705	1715	-10
	Mathura	Mill Quality Loose	1575	1575	Unch
	Kosi	Mill Quality Loose	1575	1575	Unch
	Hathras	Mill Quality Loose	1580	1600	-20
	Aligarh	Mill Quality Loose	1600	1600	Unch
Punjab	Khanna	Mill Quality Loose	Closed	1665	-
	Ludhiana (Jagraon)	Mill Delivery	Closed	NA	-
Haryana	Sirsa	Mill Delivery loose	Closed	1700	-
	Hodal	Mill Delivery	1780	1780	Unch

	Bhiwani	Mill Quality Loose	1680	1680	Unch
	Karnal	Mill Delivery	Closed	1670	-
	Panipat	Mill Quality Loose	Closed	1625	-
Tamil Nadu	Chennai	Mill Quality	Closed	1950	-
	Madurai	Mill Quality	Closed	2007	-
	Coimbatore	Mill Quality	Closed	2007	-
Bihar	Khagariya	Mill Delivery	1600	1650	-50
	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
			25-Aug-17	24-Aug-17	
Gujarat	Rajkot	Lokwan	Closed	Closed	-
M.P.	Indore	Lokwan	Closed	2000	-
	Bhopal	Lokwan	Closed	1750	-
	Bina	Sarbati 306	Closed	2300	-
Rajasthan	Kota	LokwanBilty	Closed	1800	-
	Baran	Lokwan	Closed	1660	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			25-Aug-17	24-Aug-17	
Delhi	Lawrence Road	Mill Delivery	8000	10000	-2000
	Narella	Mill Quality Loose	300	400	-100
	Nazafgarh	Mill Quality Loose	NR	200	-
Gujarat	Rajkot	Mill Quality Loose	Closed	Closed	-
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Quality Loose	Closed	1000	-
Rajasthan	Kota	Mill Quality	Closed	7000	-
U.P.	Kanpur	Mill Quality Loose	1200	1000	200
	Mathura	Mill Quality Loose	300	300	Unch
	Kosi	Mill Quality Loose	800	600	200
	Hathras	Mill Quality Loose	130	350	-220
	Aligarh	Mill Quality Loose	300	400	-100
Punjab	Khanna	Mill Quality Loose	Closed	250	-
	(Ludhiana)Jagraon	Mill Quality Loose	Closed	NA	-
Haryana	Sirsa	Mill Quality Loose	Closed	200	-
	Hodal	Mill Quality Loose	50	40	10
	Bhiwani	Mill Quality Loose	500	500	Unch

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

Wheat Products Delhi	25-Aug-17	24-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:24.08.2017					
Contract Month	Open	High	Low	Close	Change
17-Sep	403.25	411.25	400.75	409.00	5.75
17-Dec	430.00	436.75	426.75	434.50	4.50
18-Mar	452.75	459.50	449.75	457.25	4.25
18-May	468.50	474.00	464.75	471.75	4.00
18-Jul	481.75	486.75	478.75	485.00	3.00
18-Sep	499.00	501.25	494.75	500.25	2.50

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