

Wheat Domestic Fundamentals:

All India weekly average prices decreased by 1.17 percent to Rs. 1809.16 per quintal during the week ended 31st August 2017. Wheat average price were ruling at Rs 1830.66 per quintal during 16-23 August 2017. As compared to prices in the week 24-31 August 2016, the prices are weak by 0.67 percent. Prices are expected to remain steady to weak in coming days.

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. This has led to an increase in carryover stocks by 7 MMT to 248 MMT. Import quotes for wheat from different origins to Tuticorin port has decreased compared to last week. As of now Tuticorin port price for APW is Rs 1840 per quintal, ASW is Rs 1775 per quintal and Ukrainian wheat at Rs 1675 per quintal.

FCI will sell a total quantity 1111050 tonnes of wheat in different states through e-auction on 31st August at a reserve price of Rs 1790 per quintal. Of the total quantity in OMSS, highest quantity of 366750 tonnes is offered in Punjab followed by 296000 tonnes in Maharashtra, 128450 tonnes in Haryana, 60000 tonnes in West Bengal, 50000 tonnes in Odhisa, 47550 tonnes in M.P, 29000 tonnes in Tamil Nadu, 20100 tonnes in Karnataka, 20000 tonnes in Rajasthan, 15500 tonnes in Kerala, 16000 tonnes in Gujarat, 16000 tonnes in Delhi, 7000 tonnes in Assam, 6200 tonnes in Uttarakhand, 6000 tonnes in Chandigarh, 6000 tonnes in J&K, 5000 tonnes in Uttar Pradesh, 4500 tonnes in Chhattisgarh, 3000 tonnes in Pondicherry, 2000 tonnes in Bihar, 2000 tonnes in Andhra Pradesh, 1500 tonnes in Himachal Pradesh, 1500 tonnes in Goa and 1000 tonnes in Jharkhand.

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 latest update, Japan's ministry of agriculture bought 125713 MMT of food quality wheat from United States and Canada. Around 67123 MMT with minimum protein content of 14 percent has been bought from United States and 58590 MMT has been bought from Canada with minimum protein content of 13.5 percent to be loaded between October 21 and November 20.

As per forecast of IKAR, Russia is likely to produce a record 81-84 MMT of wheat in 2017 compared to 77-80 MMT in 2016. The rise in production is mainly due to good yield this year (4.13 tonnes per hectare) compared to last year (3.40 tonnes per hectare).

The world's largest buyer of wheat has extended 13.5% moisture content limit by nine months. The extension was first implemented in February for nine months which was about to expire in October. The new nine month period will be active from 03rd October'17. However excessive moisture can reduce quality and increase risk of mould and insect damage. The limit has been extended to increase healthy competition among different origins that are willing to supply wheat in state tenders.

Russian milling wheat prices with 12.5% protein content decreased by around \$1 per tonne compared to last week. The fall in prices was due to higher production forecast, large stock and low export demand. 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 \$178-182/tonne whereas milling wheat with 11.5% protein content is being quoted at FoB \$167-170/tonne.

GASC has purchased 295000 tonnes of wheat through tender. Of the total quantity 235000 tonnes is of Russian origin and 60000 tonnes is of Ukrainian origin. Daewoo offered 60000 tonnes of Russian wheat at FoB \$186.00 per tonne, Louis Dreyfus offered 60000 tonnes of Ukrainian wheat at FoB \$187.00 per tonne, GTCS offered 55000 tonnes of Russian wheat at FoB \$187.00 per tonne and 120000 tonnes of Russian wheat at FoB \$187.50 per tonne.

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

Wheat Futures Contract: NCDEX Price								Date:01.09.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Sep	-1	1637	1637	1634	1636	750	-610	12720	-220
17-Oct	+2	1654	1657	1653	1657	600	-750	5680	450
17-Nov	0	1673	1673	1673	1673	-	-	-	-

Spread	Sep-17	Oct-17	Nov-17	
Spot Narela				
17-Sep	-24			
17-Oct		21		
17-Nov			16	

Stocks	Demat	In- Process	Total	FED
	31.Aug.17	31.Aug.17	31.Aug.17	28.Aug.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	12558	0	12558	12557
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 1.09.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			1-Sep-17	31-Aug-17	
Delhi	Lawrence Road	Mill Delivery	1760	1760	Unch
	Narella	Mill Quality Loose	1660	1655	5
	Nazafgarh	Mill Quality Loose	1665	1665	Unch
Gujarat	Rajkot	Mill Delivery	1610	1610	Unch
	Ahmedabad	Mill Delivery	1750	1740	10
	Surat	Mill Delivery	1790	1780	10
	Dhrol	Mill Quality Loose	1610	1605	5
M.P.	Indore	Mill Delivery	1650	1650	Unch
	Bhopal	Mill Quality Loose	1650	1650	Unch
Rajasthan	Kota	Mill Quality Loose	1550	1550	Unch
		Mill Delivery	1650	1650	Unch
U.P.	Kanpur	Mill Delivery	1710	1720	-10
	Mathura	Mill Quality Loose	1575	1575	Unch
	Kosi	Mill Quality Loose	1570	1570	Unch
	Hathras	Mill Quality Loose	1615	1630	-15
	Aligarh	Mill Quality Loose	1600	1600	Unch
Punjab	Khanna	Mill Quality Loose	NA	1670	-
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1700	1700	Unch
	Hodal	Mill Delivery	1740	NA	-

	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	1600	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			1-Sep-17	31-Aug-17	
Gujarat	Rajkot	Lokwan	1800	1750	50
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1725	1750	-25
	Bina	Sarbati 306	2300	2300	Unch
Rajasthan	Kota	LokwanBilty	1825	1825	Unch
	Baran	Lokwan	1650	1650	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			1-Sep-17	31-Aug-17	
Delhi	Lawrence Road	Mill Delivery	8000	10000	-2000
	Narella	Mill Quality Loose	500	600	-100
	Nazafgarh	Mill Quality Loose	200	200	Unch
Gujarat	Rajkot	Mill Quality Loose	1200	300	900
	Dhrol	Mill Quality Loose	74	34	40
M.P.	Indore	Mill Quality Loose	1000	1000	Unch
Rajasthan	Kota	Mill Quality	7000	7000	Unch
U.P.	Kanpur	Mill Quality Loose	800	1000	-200
	Mathura	Mill Quality Loose	500	600	-100
	Kosi	Mill Quality Loose	800	500	300
	Hathras	Mill Quality Loose	500	300	200
	Aligarh	Mill Quality Loose	200	250	-50
Punjab	Khanna	Mill Quality Loose	NA	600	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	100	200	-100
	Hodal	Mill Quality Loose	25	NA	-
	Bhiwani	Mill Quality Loose	600	400	200

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

Wheat Products Delhi	1-Sep-17	31-Aug-17	Change
Atta (50kg) Ordinary	950	950	Unch
Maida Grade 1 (50KG)	1125	1325	-200
Suji (50kg)	1185	1185	Unch
Chokar (50 kg)	749	749	Unch
Chokar (34 kg)	504	504	Unch
Chakki Atta (50kg)	985	985	Unch
Chakki Atta (50kg) Special	985	985	Unch
Chakki Atta (90kg) Superfine	NA	NA	-
Chakki Atta (50kg) Superfine	1075	1075	Unch

Wheat (CBOT) Future Price:31.08.2017					
Contract Month	Open	High	Low	Close	Change
17-Sep	403.50	411.00	402.75	410.25	6.75
17-Dec	429.00	437.75	428.50	434.50	4.75
18-Mar	452.00	459.75	451.75	457.00	4.25
18-May	465.50	472.25	465.00	470.50	4.50
18-Jul	477.50	484.00	477.50	483.50	5.00
18-Sep	493.75	499.00	493.50	498.25	4.00

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php> © 2017 Indian Agribusiness Systems Pvt Ltd.