

**Wheat Domestic Fundamentals:**

**Import quotes for wheat from different origins to Tuticorin port has increased compared to last week.** As of now Tuticorin port price for APW is Rs 1860 per quintal, ASW is Rs 1780 per quintal and Ukrainian wheat at Rs 1670 per quintal. India is likely to import 3-4 million tonnes of wheat in 2017-18. Government may increase import duty from 10% in order to curb imports and provide support to domestic prices. Fall in production forecast for Australia has increased quotes for APW and ASW.

**FCI will sell a total quantity 1034600 tonnes of wheat in different states through e-auction** on 14th September at a reserve price of Rs 1790 per quintal. Of the total quantity in OMSS, highest quantity of 326500 tonnes in Maharashtra followed by 195350 tonnes is offered in Punjab, 151050 tonnes in Haryana, 100000 tonnes in M.P, 60000 tonnes in West Bengal, 50000 tonnes in Odhisa, 35000 tonnes in Tamil Nadu, 19000 tonnes in Karnataka, 20000 tonnes in Rajasthan, 16000 tonnes in Delhi, 14500 tonnes in Kerala, 12500 tonnes in Gujarat, 3000 tonnes in Assam, 6000 tonnes in Chandigarh, 6000 tonnes in J&K, 5000 tonnes in Uttar Pradesh, 4700 tonnes in Uttarakhand, , 3000 tonnes in Pondicherry, 2000 tonnes in Bihar, 2000 tonnes in Andhra Pradesh, 1500 tonnes in Himachal Pradesh, 500 tonnes in Goa and 1000 tonnes in Jharkhand.

**All India weekly average prices decreased by 0.51 percent to Rs. 1799.86 per quintal during the week ended 08th September 2017.** Wheat average price were ruling at Rs 1809.16 per quintal during 24-31 August 2017. As compared to prices in the week 01-08 September 2016, the prices are weak by 1.57 percent. Prices are expected to remain steady to weak in coming days.

**India is continuously importing wheat from Black sea region and Australia as it is cheaper compared to domestic wheat even after including the current import duty of 10%.** As of now Rajkot mill quality is being offered at \$256 per tonne whereas millers in India have contracted to import 8 lakh tonnes from blacksea region at CnF \$200-210 per tonne. Government is considering to increase import duty in order to curb wheat imports and provide support to domestic wheat prices. Sowing of wheat is likely to start in coming months and if prices remain at low level overall acreage may fall in comparison to last year.

**India is likely to import 800000 tonnes of wheat in september and october from blacksea region at \$200-210 per tonne cost and freight after taking into account 10% of duty.** According to traders there is not much price advantage, millers are buying to ensure smooth supplies in November and December. The only fear importers are facing is an increase in import duty or abrupt change in phytosanitary measures.

**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.

**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:**

**Blacksea region has exported record wheat to Asia in the month of August as exporters took advantage of record output, higher quality and lower crop size in Australia.** As per Thompson Reuters flows data blacksea region accounted for more than 40 percent of 6.5 MMT of wheat exported to Asia in the month of August.

**As per update by USDA on 11th September, US have harvested 95 percent of spring wheat compared to 94 percent a year ago.** Production in 2017-18 is likely to be around 47.33 MMT compared to 62.85 MMT. The fall in production is mainly due to lower area.

**As per latest update by ABARES, Australia has reduced its wheat production forecast to 21.6 MMT from 23.98 MMT in March due to dry weather.** Most of the Australia's wheat producing regions has received less than half of average rainfall between June 1 and August 31.

**As on 01st September Russia has harvested 67.8 million tonnes of wheat compared to 63.8 million tonnes a year ago for the same date.** Around 17.7 million hectares of area has been harvested with an average yield of 3.84 tonnes per hectare compared to 20.1 million hectares with an average yield of 3.17 tonnes per hectare a year ago for same date. Russia is expected to harvest 80-82 million tonnes of wheat in 2017.

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

Wheat Futures Contract: NCDEX Price								Date:13.09.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Sep	+3	1616	1616	1615	1615	250	-180	630	-50
17-Oct	+2	1629	1639	1629	1634	590	-1,220	14000	170
17-Nov	0	1662	1669	1655	1662	130	0	550	0

Spread	Sep-17	Oct-17	Nov-17	
Spot Narela				
17-Sep	-55			
17-Oct		19		
17-Nov			28	

Stocks	Demat	In- Process	Total	FED
	12.Sep.17	12.Sep.17	12.Sep.17	11.Sep.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	12557	0	12557	12557
Rajkot	-	-	-	-

### Wheat Daily Prices and Arrivals on 13.09.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			13-Sep-17	12-Sep-17	
Delhi	Lawrence Road	Mill Delivery	1765	1770	-5
	Narella	Mill Quality Loose	Closed	1670	-
	Nazafgarh	Mill Quality Loose	Closed	1670	-
Gujarat	Rajkot	Mill Delivery	1580	1575	5
	Ahmedabad	Mill Delivery	1750	1740	10
	Surat	Mill Delivery	1790	1780	10
	Dhrol	Mill Quality Loose	1600	1630	-30
M.P.	Indore	Mill Delivery	1650	1650	Unch
	Bhopal	Mill Quality Loose	1675	1675	Unch
Rajasthan	Kota	Mill Quality Loose	1530	1530	Unch
		Mill Delivery	1630	1630	Unch
U.P.	Kanpur	Mill Delivery	1710	1705	5
	Mathura	Mill Quality Loose	1575	1575	Unch
	Kosi	Mill Quality Loose	1580	1585	-5
	Hathras	Mill Quality Loose	1590	1590	Unch
	Aligarh	Mill Quality Loose	Closed	1600	-
Punjab	Khanna	Mill Quality Loose	1690	1675	15
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1700	1700	Unch
	Hodal	Mill Delivery	Closed	1740	-

	Bhiwani	Mill Quality Loose	1670	1675	-5
	Karnal	Mill Delivery	1665	1670	-5
	Panipat	Mill Quality Loose	1625	1625	Unch
Tamil Nadu	Chennai	Mill Quality	1900	1900	Unch
	Madurai	Mill Quality	1957	1957	Unch
	Coimbatore	Mill Quality	1957	1957	Unch
Bihar	Khagariya	Mill Delivery	1650	1650	Unch
	Muzaffarpur	Mill Delivery	1610	1600	10
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			13-Sep-17	12-Sep-17	
Gujarat	Rajkot	Lokwan	1775	1750	25
M.P.	Indore	Lokwan	1900	1900	Unch
	Bhopal	Lokwan	1725	1725	Unch
	Bina	Sarbati 306	Closed	NR	-
Rajasthan	Kota	LokwanBilty	1700	1700	Unch
	Baran	Lokwan	1650	1675	-25

### Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			13-Sep-17	12-Sep-17	
Delhi	Lawrence Road	Mill Delivery	7000	9000	-2000
	Narella	Mill Quality Loose	Closed	500	-
	Nazafgarh	Mill Quality Loose	Closed	300	-
Gujarat	Rajkot	Mill Quality Loose	800	600	200
	Dhrol	Mill Quality Loose	85	45	40
M.P.	Indore	Mill Quality Loose	1000	1000	Unch
Rajasthan	Kota	Mill Quality	5000	6000	-1000
U.P.	Kanpur	Mill Quality Loose	800	800	Unch
	Mathura	Mill Quality Loose	400	200	200
	Kosi	Mill Quality Loose	400	800	-400
	Hathras	Mill Quality Loose	12	12	Unch
	Aligarh	Mill Quality Loose	Closed	250	-
Punjab	Khanna	Mill Quality Loose	500	300	200
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	100	200	-100
	Hodal	Mill Quality Loose	Closed	25	-
	Bhiwani	Mill Quality Loose	NA	400	-

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

Wheat Products Delhi	13-Sep-17	12-Sep-17	Change
Atta (50kg) Ordinary	940	940	Unch
Maida Grade 1 (50KG)	1125	1125	Unch
Suji (50kg)	1185	1185	Unch
Chokar (50 kg)	749	749	Unch
Chokar (34 kg)	504	504	Unch
Chakki Atta (50kg)	975	975	Unch
Chakki Atta (50kg) Special	975	975	Unch
Chakki Atta (90kg) Superfine	NA	NA	-
Chakki Atta (50kg) Superfine	1065	1065	Unch

Wheat (CBOT) Future Price:12.09.2017					
Contract Month	Open	High	Low	Close	Change
17-Sep	415.00	419.50	415.00	419.50	7.25
17-Dec	434.00	443.75	428.25	442.00	7.25
18-Mar	455.25	463.50	448.75	462.00	6.75
18-May	469.00	477.00	463.75	476.00	6.00
18-Jul	482.00	490.00	476.50	489.00	5.50
18-Sep	498.50	504.50	492.00	503.50	4.75

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