

**Wheat Domestic Fundamentals:**

**All India weekly average prices increased by 7.28 percent to Rs. 1930.87 per quintal during the week ended 15th September 2017.** Wheat average price were ruling at Rs 1799.86 per quintal during 01-08 September 2017. As compared to prices in the week 09-15 September 2016, the prices are firm by 8.63 percent. Prices are expected to remain steady to firm in coming days.

**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 1880 per quintal, ASW is Rs 1810 per quintal and Ukrainian wheat at Rs 1700 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 has offered a total of 12800202 tonnes of wheat through E-Auction since June until first tender in September.** Sales through E-Auction of wheat are at lower side this year due to high domestic production and imports. In the month of June 115000 tonnes was sold against offered quantity of 1104050 tonnes, 34400 tonnes was sold in July against offered quantity of 4934602 tonnes, 43550 tonnes was sold in August against offered quantity of 5770100 tonnes and 13250 tonnes has been sold in first tenders of September against offered quantity of 991450.

**India has received 752.70 mm of actual rainfall against 802.00 mm of normal rainfall** since the beginning of monsoon season until 13th September. In the week (07th to 13th September) India has received rainfall below LPA by -31% and the worst hit region was Northwest India which received rainfall below LPA by -72%. Since the beginning of monsoon season Punjab, Chandigarh, Delhi, West Uttar Pradesh, East Madhya Pradesh and Vidharba have received deficient rainfall.

**As per latest update, wheat stock in central pool as on 1st September'17 stood at 278.16 lakh tonnes down by 7.46% compared to last month.** This quantity is higher by around 14.73% compared to last year for the same month. For the month of August off take from central pool was around 22.43 lakh tonnes compared to 26.34 lakh tonnes for August'2016 and 15.02 lakh tonnes for August'2015. FCI is currently selling wheat through E-Auction at a reserve price of Rs. 1790 per quintal.

**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:**

**As on 14th September Russia has harvested 75.70 million tonnes of wheat compared to 70.5 million tonnes a year ago for the same date.** Around 21.6 million hectares of area has been harvested with an average yield of 3.51 tonnes per hectare compared to 23.9 million hectares with an average yield of 2.95 tonnes per hectare a year ago for same date. Russia is expected to harvest 80-82 million tonnes of wheat in 2017.

**Russian milling wheat prices with 12.5% protein content increased by around \$2-3 per tonne compared to last week. As per traders prices have already touched their lowest level.** Furthermore farmers are also holding onto their crops in expectation of better prices. Russia is expected to produce 80-82 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 \$184-187/tonne whereas milling wheat with 11.5% protein content is being quoted at FoB \$172-175/tonne.

**As per latest update, Japan's ministry of agriculture bought 139382 MMT of food quality wheat** from United States, Canada and Australia. Around 55645 MMT with minimum protein content of 14 percent has been bought from United States to be loaded between October 21 and November 20, 33595 MMT of standard white wheat has been bought from west Australia to be loaded between November 01 and November 30 and 50142 MMT with minimum protein content of 13.5 percent has been bought from United States to be loaded between October 21 and November 20.

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

Wheat Futures Contract: NCDEX Price								Date:18.09.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Sep	5	1632	1632	1632	1632	30	-230	320	0
17-Oct	-3	1645	1650	1639	1640	840	-770	14120	-220
17-Nov	-12	1677	1677	1667	1667	360	-490	700	90

Spread	Sep-17	Oct-17	Nov-17	
Spot Narela				
17-Sep	-43			
17-Oct		8		
17-Nov			27	

Stocks	Demat	In- Process	Total	FED
	16.Sep.17	16.Sep.17	16.Sep.17	11.Sep.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	12756	0	12756	12557
Rajkot	-	-	-	-

## Wheat Daily Prices and Arrivals on 18.09.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			18-Sep-17	16-Sep-17	
Delhi	Lawrence Road	Mill Delivery	1760	1765	-5
	Narella	Mill Quality Loose	1675	1675	Unch
	Nazafgarh	Mill Quality Loose	1670	1670	Unch
Gujarat	Rajkot	Mill Delivery	1565	1570	-5
	Ahmedabad	Mill Delivery	1740	1740	Unch
	Surat	Mill Delivery	1790	1780	10
	Dhrol	Mill Quality Loose	NR	1620	-
M.P.	Indore	Mill Delivery	1650	1650	Unch
	Bhopal	Mill Quality Loose	1600	1600	Unch
Rajasthan	Kota	Mill Quality Loose	1530	1540	-10
		Mill Delivery	1620	1650	-30
U.P.	Kanpur	Mill Delivery	1715	1715	Unch
	Mathura	Mill Quality Loose	1585	1575	10
	Kosi	Mill Quality Loose	1580	1575	5
	Hathras	Mill Quality Loose	1585	NR	-
	Aligarh	Mill Quality Loose	1600	1600	Unch
Punjab	Khanna	Mill Quality Loose	1700	1680	20
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1690	1695	-5
	Hodal	Mill Delivery	1740	NR	-

	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	1970	1950	20
	Madurai	Mill Quality	2027	2007	20
	Coimbatore	Mill Quality	2027	2007	20
Bihar	Khagariya	Mill Delivery	1650	1650	Unch
	Muzaffarpur	Mill Delivery	1610	1610	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			18-Sep-17	16-Sep-17	
Gujarat	Rajkot	Lokwan	1750	1750	Unch
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1750	1700	50
	Bina	Sarbati 306	NR	2250	-
Rajasthan	Kota	LokwanBilty	1700	1750	-50
	Baran	Lokwan	NR	1675	-

### Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			18-Sep-17	16-Sep-17	
Delhi	Lawrence Road	Mill Delivery	9500	8000	1500
	Narella	Mill Quality Loose	400	200	200
	Nazafgarh	Mill Quality Loose	250	300	-50
Gujarat	Rajkot	Mill Quality Loose	500	600	-100
	Dhrol	Mill Quality Loose	NR	80	-
M.P.	Indore	Mill Quality Loose	1000	1000	Unch
Rajasthan	Kota	Mill Quality	4000	5000	-1000
U.P.	Kanpur	Mill Quality Loose	900	900	Unch
	Mathura	Mill Quality Loose	1000	600	400
	Kosi	Mill Quality Loose	200	600	-400
	Hathras	Mill Quality Loose	250	NR	-
	Aligarh	Mill Quality Loose	400	300	100
Punjab	Khanna	Mill Quality Loose	200	400	-200
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	100	100
	Hodal	Mill Quality Loose	20	NR	-
	Bhiwani	Mill Quality Loose	200	200	Unch

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

Wheat Products Delhi	18-Sep-17	16-Sep-17	Change
Atta (50kg) Ordinary	940	940	Unch
Maida Grade 1 (50KG)	1125	1125	Unch
Suji (50kg)	1185	1185	Unch
Chokar (50 kg)	739	734	5
Chokar (34 kg)	495	492	3
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:15.09.2017					
Contract Month	Open	High	Low	Close	Change
17-Dec	443.50	450.25	440.75	449.00	6.00
18-Mar	463.25	469.25	460.75	468.00	5.50
18-May	477.00	482.50	475.00	481.00	4.75
18-Jul	486.75	493.75	486.50	492.25	4.00
18-Sep	500.50	507.75	500.50	506.00	3.75
18-Dec	517.25	525.00	517.00	523.50	4.50

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