

Wheat Domestic Fundamentals:

FCI will sell a total quantity 1071200 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 371300 tonnes in Haryana followed by 299500 tonnes in Maharashtra 140600 tonnes is offered in Punjab, 100000 tonnes in M.P, 40000 tonnes in Tamil Nadu, 20000 tonnes in Rajasthan, 19300 tonnes in Karnataka, 16000 tonnes in Delhi, 14000 tonnes in Kerala, 11000 tonnes in Gujarat, 6500 tonnes in J&K, 6000 tonnes in Chandigarh, 5000 tonnes in Uttar Pradesh, 4300 tonnes in Assam, 4200 tonnes in Uttarakhand, 3500 tonnes in Chhattisgarh, 3000 tonnes in Pondicherry, 2000 tonnes in Bihar, 2000 tonnes in Andhra Pradesh, 1500 tonnes in Himachal Pradesh, 1000 tonnes in Jharkhand and 500 tonnes in Goa.

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.

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 per U.S. department of Agriculture around 13% of wheat has been planted compared to 15% a year ago. Production for 2017-18 is expected to be 47.33 MMT compared to 62.85 MMT last year.

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.

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

Wheat Futures Contract: NCDEX Price								Date:19.09.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Sep	-12	1620	1620	1620	1628	20	-10	320	0
17-Oct	-3	1641	1641	1637	1638	450	-390	13990	-130
17-Nov	0	1670	1677	1667	1670	360	-	700	-

Spread	Sep-17	Oct-17	Nov-17	
Spot Narela				
17-Sep	-52			
17-Oct		10		
17-Nov			32	

Stocks	Demat	In- Process	Total	FED
	18.Sep.17	18.Sep.17	18.Sep.17	18.Sep.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	12756	0	12756	12757
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 19.09.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			19-Sep-17	18-Sep-17	
Delhi	Lawrence Road	Mill Delivery	1760	1760	Unch
	Narella	Mill Quality Loose	1680	1675	5
	Nazafgarh	Mill Quality Loose	1675	1670	5
Gujarat	Rajkot	Mill Delivery	1575	1565	10
	Ahmedabad	Mill Delivery	1750	1740	10
	Surat	Mill Delivery	1790	1790	Unch
	Dhrol	Mill Quality Loose	1615	1660	-45
M.P.	Indore	Mill Delivery	Closed	1650	-
	Bhopal	Mill Quality Loose	Closed	1600	-
Rajasthan	Kota	Mill Quality Loose	1530	1530	Unch
		Mill Delivery	1620	1620	Unch
U.P.	Kanpur	Mill Delivery	1710	1715	-5
	Mathura	Mill Quality Loose	1585	1585	Unch
	Kosi	Mill Quality Loose	1580	1580	Unch
	Hathras	Mill Quality Loose	1585	1585	Unch
	Aligarh	Mill Quality Loose	1605	1600	5
Punjab	Khanna	Mill Quality Loose	1690	1700	-10
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1690	1690	Unch
	Hodal	Mill Delivery	1740	1740	Unch

	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	1970	Unch
	Madurai	Mill Quality	2027	2027	Unch
	Coimbatore	Mill Quality	2027	2027	Unch
Bihar	Khagariya	Mill Delivery	1650	1650	Unch
	Muzaffarpur	Mill Delivery	1620	1610	10
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			19-Sep-17	18-Sep-17	
Gujarat	Rajkot	Lokwan	1775	1750	25
M.P.	Indore	Lokwan	Closed	2000	-
	Bhopal	Lokwan	Closed	1750	-
	Bina	Sarbati 306	2260	NR	-
Rajasthan	Kota	LokwanBilty	1700	1700	Unch
	Baran	Lokwan	NR	NR	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			19-Sep-17	18-Sep-17	
Delhi	Lawrence Road	Mill Delivery	8000	9500	-1500
	Narella	Mill Quality Loose	600	400	200
	Nazafgarh	Mill Quality Loose	200	250	-50
Gujarat	Rajkot	Mill Quality Loose	600	500	100
	Dhrol	Mill Quality Loose	68	50	18
M.P.	Indore	Mill Quality Loose	Closed	1000	-
Rajasthan	Kota	Mill Quality	3500	4000	-500
U.P.	Kanpur	Mill Quality Loose	700	900	-200
	Mathura	Mill Quality Loose	800	1000	-200
	Kosi	Mill Quality Loose	400	200	200
	Hathras	Mill Quality Loose	50	250	-200
	Aligarh	Mill Quality Loose	300	400	-100
Punjab	Khanna	Mill Quality Loose	300	200	100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	20	20	Unch
	Bhiwani	Mill Quality Loose	400	200	200

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

Wheat Products Delhi	19-Sep-17	18-Sep-17	Change
Atta (50kg) Ordinary	940	940	Unch
Maida Grade 1 (50KG)	1125	1125	Unch
Suji (50kg)	1185	1185	Unch
Chokar (50 kg)	744	739	5
Chokar (34 kg)	498	495	3
Chakki Atta (50kg)	975	975	Unch
Chakki Atta (50kg) Special	975	975	Unch
Chakki Atta (90kg) Superfine	NA	NA	-
Chakki Atta Superfine(50kg)	1065	1065	Unch

Wheat (CBOT) Future Price:18.09.2017					
Contract Month	Open	High	Low	Close	Change
17-Dec	448.50	450.75	442.25	443.50	-5.50
18-Mar	467.75	469.75	462.00	463.75	-4.25
18-May	480.75	483.00	475.50	477.00	-4.00
18-Jul	492.25	494.25	487.00	488.25	-4.00
18-Sep	506.00	508.00	501.00	502.25	-3.75
18-Dec	523.50	525.00	518.50	520.00	-3.50

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