

Wheat Domestic Fundamentals:

The low pressure over Uttar Pradesh that is responsible for sustaining the late monsoon rains has become weak and is expected to die out soon. This may cause monsoon to withdraw from border areas of Rajasthan and Gujarat in the coming week almost a month before from its normal time. As per forecast by IMD the temperatures over North-west India is likely to increase by two degree Celsius in next two days.

All India weekly average prices decreased by 3.13 percent to Rs. 1870.47 per quintal during the week ended 23rd September 2017. Wheat average price were ruling at Rs 1930.87 per quintal during 09-15 September 2017. As compared to prices in the week 16-23 September 2016, the prices are firm by 1.32 percent. Prices are expected to remain steady to weak in coming days.

At import front, government has imposed 10 percent import duty in order to reduce flow of imports and provide domestic crop favorable grounds. In July, India imported 1.049 lakh tonne wheat compared to 1.64 lakh tonnes in the month of June. Import will continue but volume is likely to decrease. India is expected to import 3 to 4 million tonnes in MY 2017-18. Total import until September'17 since April'17 is expected to be 1.38 MMT.

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.

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 22nd September Russia has harvested 80.8 million tonnes of wheat compared to 72.7 million tonnes a year ago for the same date. Around 23.9 million hectares of area has been harvested with an average yield of 3.37 tonnes per hectare compared to 25.3 million hectares with an average yield of 2.88 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. Firmness in prices is due to strengthening of Russian currency and unresolved problem of imported wheat by Egypt. As per traders prices have already touched their lowest level. 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 \$186-190/tonne whereas milling wheat with 11.5% protein content is being quoted at FoB \$176-180/tonne.

GASC has purchased 175000 tonnes of Russian wheat through tender. ADM offered 60000 tonnes of Russian wheat at FoB \$195.00 per tonnes; GTCS offered 60000 tonnes and 55000 tonnes of Russian wheat at FoB \$198.00 per tonne and FoB \$197 per tonne respectively.

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

Wheat Futures Contract: NCDEX Price								Date:25.09.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Oct	-17	1640	1644	1611	1618	2590	1,990	11780	-1,450
17-Nov	-20	1652	1653	1636	1639	2520	2,010	3130	1,880
17-Dec	-	-	-	-	-	-	-	-	-

Spread	Oct-17	Nov-17	Dec-17	
Spot Narela				
17-Oct	-52			
17-Nov		21		
17-Dec			-	

Stocks	Demat	In- Process	Total	FED
	23.Sep.17	23.Sep.17	23.Sep.17	18.Sep.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	12756	0	12756	12757
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 25.09.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			25-Sep-17	23-Sep-17	
Delhi	Lawrence Road	Mill Delivery	1765	1760	5
	Narella	Mill Quality Loose	1670	1670	Unch
	Nazafgarh	Mill Quality Loose	1665	1660	5
Gujarat	Rajkot	Mill Delivery	1570	1565	5
	Ahmedabad	Mill Delivery	1750	1740	10
	Surat	Mill Delivery	1800	1780	20
	Dhrol	Mill Quality Loose	1665	1550	115
M.P.	Indore	Mill Delivery	1700	1650	50
	Bhopal	Mill Quality Loose	1625	1635	-10
Rajasthan	Kota	Mill Quality Loose	1525	NR	-
		Mill Delivery	1615	NR	-
U.P.	Kanpur	Mill Delivery	1710	1705	5
	Mathura	Mill Quality Loose	1590	1575	15
	Kosi	Mill Quality Loose	1575	1585	-10
	Hathras	Mill Quality Loose	1585	1590	-5
	Aligarh	Mill Quality Loose	1600	1580	20
Punjab	Khanna	Mill Quality Loose	1690	NA	-
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1700	1700	Unch
	Hodal	Mill Delivery	1740	NA	-

	Bhiwani	Mill Quality Loose	1680	1700	-20
	Karnal	Mill Delivery	1670	1670	Unch
	Panipat	Mill Quality Loose	1625	1625	Unch
Tamil Nadu	Chennai	Mill Quality	NA	NR	-
	Madurai	Mill Quality	NA	NR	-
	Coimbatore	Mill Quality	NA	NR	-
Bihar	Khagariya	Mill Delivery	1650	1650	Unch
	Muzaffarpur	Mill Delivery	1620	1620	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			25-Sep-17	23-Sep-17	
Gujarat	Rajkot	Lokwan	1800	1775	25
M.P.	Indore	Lokwan	2100	2000	100
	Bhopal	Lokwan	1700	1675	25
	Bina	Sarbati 306	2250	NR	-
Rajasthan	Kota	LokwanBilty	NR	NR	-
	Baran	Lokwan	Closed	Closed	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			25-Sep-17	23-Sep-17	
Delhi	Lawrence Road	Mill Delivery	8000	6500	1500
	Narella	Mill Quality Loose	300	300	Unch
	Nazafgarh	Mill Quality Loose	250	NA	-
Gujarat	Rajkot	Mill Quality Loose	500	400	100
	Dhrol	Mill Quality Loose	66	26	40
M.P.	Indore	Mill Quality Loose	2000	1500	500
Rajasthan	Kota	Mill Quality	10000	NR	-
U.P.	Kanpur	Mill Quality Loose	800	400	400
	Mathura	Mill Quality Loose	1500	300	1200
	Kosi	Mill Quality Loose	600	250	350
	Hathras	Mill Quality Loose	50	25	25
	Aligarh	Mill Quality Loose	400	200	200
Punjab	Khanna	Mill Quality Loose	200	NA	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	100	100
	Hodal	Mill Quality Loose	20	NA	-
	Bhiwani	Mill Quality Loose	200	400	-200



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

Wheat Products Delhi	25-Sep-17	23-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	744	Unch
Chokar (34 kg)	498	498	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:22.09.2017					
Contract Month	Open	High	Low	Close	Change
17-Dec	452.50	455.00	448.00	449.50	-3.00
18-Mar	472.00	474.00	468.00	469.50	-2.50
18-May	484.75	487.00	481.00	483.00	-2.00
18-Jul	495.75	498.50	492.75	494.25	-2.00
18-Sep	510.25	513.25	507.50	509.25	-1.50
18-Dec	529.75	531.50	526.25	528.00	-1.00

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