

Wheat Domestic Fundamentals:

FCI will sell a total quantity 1044000 tonnes of wheat in different states through e-auction on 28th September at a reserve price of Rs 1790 per quintal. Of the total quantity in OMSS, highest quantity of 279150 tonnes in Haryana followed by 269000 tonnes in Maharashtra 143250 tonnes is offered in Punjab, 100000 tonnes in M.P, 6000 tonnes in West Bengal, 45000 tonnes in Odhisa, 35500 tonnes in Tamil Nadu, 20000 tonnes in Rajasthan, 19300 tonnes in Karnataka, 16000 tonnes in Delhi, 12000 tonnes in Kerala, 10000 tonnes in Gujarat, 6600 tonnes in J&K, 5500 tonnes in Chandigarh, 5000 tonnes in Uttar Pradesh, 3000 tonnes in Assam, 5200 tonnes in Uttarakhand, 2500 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 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.

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 per U.S. department of Agriculture, on 25th September around 24% of wheat has been planted compared to 28% a year ago. Production for 2017-18 is expected to be 47.33 MMT compared to 62.85 MMT last year.

China has imported a total of 277000 tonnes of wheat in the month of August. Of the total quantity imported in the month of August 109270 tonnes has been imported from USA, 97286 tonnes has been imported from Australia, 62318 tonnes has been imported from Canada and 8126 tonnes has been imported from Kazakhstan.

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.

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

Wheat Futures Contract: NCDEX Price								Date:27.09.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Oct	-2	1629	1629	1619	1625	670	-720	10310	-540
17-Nov	-2	1642	1649	1642	1646	680	-530	4460	470
17-Dec	-	-	-	-	-	-	-	-	-

Spread	Oct-17	Nov-17	Dec-17	
Spot Narela				
17-Oct	-55			
17-Nov		21		
17-Dec			-	

Stocks	Demat	In- Process	Total	FED
	26.Sep.17	26.Sep.17	26.Sep.17	25.Sep.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	12756	0	12756	12757
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 27.09.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			27-Sep-17	26-Sep-17	
Delhi	Lawrence Road	Mill Delivery	1765	1765	Unch
	Narella	Mill Quality Loose	Closed	1680	-
	Nazafgarh	Mill Quality Loose	Closed	1670	-
Gujarat	Rajkot	Mill Delivery	1570	1570	Unch
	Ahmedabad	Mill Delivery	1735	1760	-25
	Surat	Mill Delivery	1800	1800	Unch
	Dhrol	Mill Quality Loose	1625	1595	30
M.P.	Indore	Mill Delivery	1650	1700	-50
	Bhopal	Mill Quality Loose	1625	1620	5
Rajasthan	Kota	Mill Quality Loose	1530	1525	5
		Mill Delivery	1620	1615	5
U.P.	Kanpur	Mill Delivery	1705	1710	-5
	Mathura	Mill Quality Loose	1580	1590	-10
	Kosi	Mill Quality Loose	1580	1565	15
	Hathras	Mill Quality Loose	1590	1580	10
	Aligarh	Mill Quality Loose	Closed	1600	-
Punjab	Khanna	Mill Quality Loose	1690	1690	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1695	1695	Unch
	Hodal	Mill Delivery	1750	1740	10

	Bhiwani	Mill Quality Loose	1680	1680	Unch
	Karnal	Mill Delivery	1675	1675	Unch
	Panipat	Mill Quality Loose	1625	1625	Unch
Tamil Nadu	Chennai	Mill Quality	1950	NA	-
	Madurai	Mill Quality	2007	NA	-
	Coimbatore	Mill Quality	2007	NA	-
Bihar	Khagariya	Mill Delivery	1600	1650	-50
	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
			27-Sep-17	26-Sep-17	
Gujarat	Rajkot	Lokwan	1775	1800	-25
M.P.	Indore	Lokwan	2000	2100	-100
	Bhopal	Lokwan	1700	1675	25
	Bina	Sarbati 306	Closed	2250	-
Rajasthan	Kota	LokwanBilty	1700	NR	-
	Baran	Lokwan	Closed	Closed	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			27-Sep-17	26-Sep-17	
Delhi	Lawrence Road	Mill Delivery	9000	8500	500
	Narella	Mill Quality Loose	Closed	500	-
	Nazafgarh	Mill Quality Loose	Closed	250	-
Gujarat	Rajkot	Mill Quality Loose	800	700	100
	Dhrol	Mill Quality Loose	89	61	28
M.P.	Indore	Mill Quality Loose	2000	2000	Unch
Rajasthan	Kota	Mill Quality	4000	NA	-
U.P.	Kanpur	Mill Quality Loose	800	900	-100
	Mathura	Mill Quality Loose	700	800	-100
	Kosi	Mill Quality Loose	600	500	100
	Hathras	Mill Quality Loose	50	150	-100
	Aligarh	Mill Quality Loose	Closed	400	-
Punjab	Khanna	Mill Quality Loose	300	300	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	100	200	-100
	Hodal	Mill Quality Loose	25	20	5
	Bhiwani	Mill Quality Loose	300	200	100

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

Wheat Products Delhi	27-Sep-17	26-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:26.09.2017					
Contract Month	Open	High	Low	Close	Change
17-Dec	453.50	460.75	451.50	453.75	-0.25
18-Mar	473.25	480.00	471.50	473.50	-0.25
18-May	486.50	492.75	484.75	487.00	Unch
18-Jul	497.25	503.50	495.75	498.50	1.00
18-Sep	512.25	517.50	510.25	512.50	0.75
18-Dec	531.00	535.75	529.00	530.50	0.50

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