

Wheat Domestic Fundamentals:

India has received 827.40 mm of actual rainfall against 875.20 mm of normal rainfall since the beginning of monsoon season until 27th September. In the week (21st to 27th September) India has received rainfall an actual rainfall of 32.5 mm against a normal of 36.20 mm. In the same week the lowest rainfall has been received by Rajasthan, Gujarat and Telangana.

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:

Russian milling wheat prices with 12.5% protein content increased by around \$4-5 per tonne compared to last week. Prices have strengthened compared to last week as farmers are holding on to their stocks. Farmer selling is expected to be moderate in coming week. 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 \$190-194/tonne whereas milling wheat with 11.5% protein content is being quoted at FoB \$180-185/tonne.

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.

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

Wheat Futures Contract: NCDEX Price								Date:29.09.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Oct	-2	1614	1621	1612	1618	2210	1170	8860	-970
17-Nov	1	1638	1644	1638	1643	1520	870	5490	770
17-Dec	6	1670	1670	1670	1670	10	-10	30	-

Spread	Oct-17	Nov-17	Dec-17	
Spot Narela				
17-Oct	-50			
17-Nov		22		
17-Dec			27	

Stocks	Demat	In- Process	Total	FED
	27.Sep.17	27.Sep.17	27.Sep.17	25.Sep.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	12756	0	12756	12757
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 29.09.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			29-Sep-17	28-Sep-17	
Delhi	Lawrence Road	Mill Delivery	1765	1765	Unch
	Narella	Mill Quality Loose	1670	Closed	-
	Nazafgarh	Mill Quality Loose	1665	Closed	-
Gujarat	Rajkot	Mill Delivery	1565	1570	-5
	Ahmedabad	Mill Delivery	1735	1735	Unch
	Surat	Mill Delivery	1780	1800	-20
	Dhrol	Mill Quality Loose	1605	1625	-20
M.P.	Indore	Mill Delivery	1650	1650	Unch
	Bhopal	Mill Quality Loose	Closed	1625	-
Rajasthan	Kota	Mill Quality Loose	1530	1530	Unch
		Mill Delivery	1620	1620	Unch
U.P.	Kanpur	Mill Delivery	1700	1705	-5
	Mathura	Mill Quality Loose	1585	1580	5
	Kosi	Mill Quality Loose	1565	1580	-15
	Hathras	Mill Quality Loose	1600	1590	10
	Aligarh	Mill Quality Loose	1580	Closed	-
Punjab	Khanna	Mill Quality Loose	1690	1690	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1700	1695	5
	Hodal	Mill Delivery	1750	1750	Unch

	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	1950	Unch
	Madurai	Mill Quality	2007	2007	Unch
	Coimbatore	Mill Quality	2007	2007	Unch
Bihar	Khagariya	Mill Delivery	1600	1600	Unch
	Muzaffarpur	Mill Delivery	1615	1620	-5
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			29-Sep-17	28-Sep-17	
Gujarat	Rajkot	Lokwan	1750	1775	-25
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	Closed	1700	-
	Bina	Sarbati 306	Closed	Closed	-
Rajasthan	Kota	LokwanBilty	1700	1700	Unch
	Baran	Lokwan	Closed	Closed	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			29-Sep-17	28-Sep-17	
Delhi	Lawrence Road	Mill Delivery	6000	9000	-3000
	Narella	Mill Quality Loose	1000	Closed	-
	Nazafgarh	Mill Quality Loose	500	Closed	-
Gujarat	Rajkot	Mill Quality Loose	500	800	-300
	Dhrol	Mill Quality Loose	39	89	-50
M.P.	Indore	Mill Quality Loose	2000	2000	Unch
Rajasthan	Kota	Mill Quality	2500	4000	-1500
U.P.	Kanpur	Mill Quality Loose	800	800	Unch
	Mathura	Mill Quality Loose	900	700	200
	Kosi	Mill Quality Loose	500	600	-100
	Hathras	Mill Quality Loose	50	50	Unch
	Aligarh	Mill Quality Loose	400	Closed	-
Punjab	Khanna	Mill Quality Loose	300	300	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	100	100
	Hodal	Mill Quality Loose	15	25	-10
	Bhiwani	Mill Quality Loose	200	300	-100

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

Wheat Products Delhi	29-Sep-17	28-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:27.09.2017					
Contract Month	Open	High	Low	Close	Change
17-Dec	454.00	462.75	449.00	461.50	7.75
18-Mar	474.75	482.00	468.75	480.75	7.25
18-May	487.75	495.00	482.75	493.50	6.50
18-Jul	498.50	506.00	494.00	504.50	6.00
18-Sep	513.25	520.00	508.25	518.75	6.25
18-Dec	530.00	538.25	526.25	536.50	6.00

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