

Wheat Domestic Fundamentals:

FCI will sell a total quantity 823150 tonnes of wheat in different states through e-auction on 02nd November at a reserve price of Rs 1790 per quintal. Of the total quantity in OMSS, highest quantity of 343500 tonnes in Maharashtra followed by 110600 tonnes in M.P, 90100 tonnes in Haryana, 60000 tonnes in West Bengal, 50000 tonnes in Odhisa, 29150 tonnes in Punjab, 23800 tonnes in Tamil Nadu, 20800 tonnes in Karnataka, 20000 tonnes in Rajasthan, 16000 tonnes in Delhi, 10000 tonnes in Kerala, 9500 tonnes in Andhra Pradesh, 7500 tonnes in Jammu & Kashmir, 6500 tonnes in Gujarat, 5500 tonnes in Uttarakhand, 5200 tonnes in Chandigarh, 5000 tonnes in Uttar Pradesh, 2500 tonnes in Pondicherry, 2000 tonnes in Bihar, 1500 tonnes in Himachal Pradesh, 1500 tonnes in Chhattisgarh, 1500 tonnes in Goa and 1000 tonnes in Jharkhand.

All India weekly average prices increased by 0.18 percent to Rs. 1940.83 per quintal during the week ended 31st October 2017. Wheat average price were ruling at Rs 1937.30 per quintal during 16-23 October 2017. As compared to prices in the week 24-31 October 2016, the prices are firm by 5.29 percent. Prices are expected to remain steady to firm in coming days.

As per trade sources, Import quotes for wheat from different origins to Tuticorin port witnessed firm tone in last week. As of now Tuticorin port price for APW is Rs 1950 per quintal, ASW is Rs 1890-1900 per quintal and Ukrainian wheat at Rs 1790-1800 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.

As per market sources, wheat acreage in Rajasthan is likely to fall slightly this year as a small portion of unirrigated area might be shifted to chickpeas. Rajasthan government has kept a target of 32 lakh hectares for 2017-18 Rabi season. Wheat prices are getting support from increase in MSP and an expected increase in import duty.

India has received 78 mm of rainfall since the beginning of the month until 29th October. Uttar Pradesh, Madhya Pradesh and Gujarat received deficient rainfall whereas Rajasthan, Haryana and Punjab received no rainfall during the same time period. Soil moisture is good in major wheat producing states as of now except Rajasthan. Rajasthan government has kept a target of 32 lakh hectares for 2017-18 Rabi season compared to actual sown area of 33.49 lakh hectares last year. Wheat prices are getting support from increase in MSP and an expected increase in import duty.

India is likely to increase import duty on wheat from 10 percent to 20 percent. India has scrapped import duty on wheat in December 2016 and reinstated 10 percent duty in March 2017 due to cheaper imports compared to domestic wheat prices. Millers in South India have put their import contracts on hold due to speculation regarding import duty.

As per Afghanistan Chamber of Commerce and Industries (ACCI), India will send around 130000 tonnes of wheat to Afghanistan via Chabahar port of Iran. This move is likely to improve trade relations of India and Afghanistan.

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:

Wheat harvesting in Australia picked up last week due to drier weather as it helped in drying crops and bringing down the moisture level. As of now APW1 and APH2 in Brisbane are being quoted at \$245 per tonne and \$256.5 per tonne respectively. Australia is expected to harvest around 20.15 MMT compared to 35.5 MMT last year.

The Saudi Arabia Grain Organization has purchased 484000 tonnes wheat through tender. The said quantity will arrive at three different ports. Around 306000 tonnes will arrive at Jeddah port, 123000 tonnes at Dammam and the remaining 55000 tonnes at Jizan port. Saudi Arabia abandoned plans of self sufficiency in 2008 as farming in desert reduced scarce water resources and became a major importer of hard and soft wheat.

As on 27th October Russia has harvested 87.8 million tonnes of wheat compared to 75.8 million tonnes a year ago for the same date. Around 27.3 million hectares of area has been harvested with an average yield of 3.22 tonnes per hectare compared to 27.2 million hectares with an average yield of 2.79 tonnes per hectare a year ago for same date. Russia has harvested record crop this year.

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

Wheat Futures Contract: NCDEX Price								Date:31.10.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Nov	-13	1753	1755	1731	1735	1640	-1,530	6560	+50
17-Dec	-10	1765	1776	1746	1755	1310	-300	4950	+190
18-Jan	-18	1840	1840	1780	1780	60	+40	50	+30

Spread	Nov-17	Dec-17	Jan-18	
Spot Narela				
17-Nov	10			
17-Dec		20		
18-Jan			25	

Stocks	Demat	In- Process	Total	FED
	30.Oct.17	30.Oct.17	30.Oct.17	30.Oct.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	6225	565	6790	6226
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 31.10.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			31-Oct-17	30-Oct-17	
Delhi	Lawrence Road	Mill Delivery	1850	1830	20
	Narella	Mill Quality Loose	Closed	1725	-
	Nazafgarh	Mill Quality Loose	1715	1710	5
Gujarat	Rajkot	Mill Delivery	1595	1580	15
	Ahmedabad	Mill Delivery	1770	1770	Unch
	Surat	Mill Delivery	1825	1825	Unch
	Dhrol	Mill Quality Loose	NR	1760	-
M.P.	Indore	Mill Delivery	1650	1650	Unch
	Bhopal	Mill Quality Loose	1600	1625	-25
Rajasthan	Kota	Mill Quality Loose	1600	1600	Unch
		Mill Delivery	1700	1700	Unch
U.P.	Kanpur	Mill Delivery	1720	1720	Unch
	Mathura	Mill Quality Loose	1630	1640	-10
	Kosi	Mill Quality Loose	1615	1615	Unch
	Hathras	Mill Quality Loose	1640	1640	Unch
	Aligarh	Mill Quality Loose	1620	Closed	-
Punjab	Khanna	Mill Quality Loose	1675	1680	-5
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1725	1725	Unch
	Hodal	Mill Delivery	NA	NA	-

	Bhiwani	Mill Quality Loose	1710	1710	Unch
	Karnal	Mill Delivery	1725	1725	Unch
	Panipat	Mill Quality Loose	1625	1625	Unch
Tamil Nadu	Chennai	Mill Quality	2050	2050	Unch
	Madurai	Mill Quality	2107	2107	Unch
	Coimbatore	Mill Quality	2107	2107	Unch
Bihar	Khagariya	Mill Delivery	1600	1650	-50
	Muzaffarpur	Mill Delivery	1615	1615	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			31-Oct-17	30-Oct-17	
Gujarat	Rajkot	Lokwan	1850	1900	-50
M.P.	Indore	Lokwan	1900	1900	Unch
	Bhopal	Lokwan	1700	1650	50
	Bina	Sarbati 306	NR	NR	-
Rajasthan	Kota	LokwanBilty	1800	1800	Unch
	Baran	Lokwan	1675	1675	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			31-Oct-17	30-Oct-17	
Delhi	Lawrence Road	Mill Delivery	6000	8000	-2000
	Narella	Mill Quality Loose	Closed	700	-
	Nazafgarh	Mill Quality Loose	200	600	-400
Gujarat	Rajkot	Mill Quality Loose	600	600	Unch
	Dhrol	Mill Quality Loose	NR	42	-
M.P.	Indore	Mill Quality Loose	2000	2000	Unch
Rajasthan	Kota	Mill Quality	5000	5000	Unch
U.P.	Kanpur	Mill Quality Loose	600	600	Unch
	Mathura	Mill Quality Loose	200	300	-100
	Kosi	Mill Quality Loose	100	NA	-
	Hathras	Mill Quality Loose	200	200	Unch
	Aligarh	Mill Quality Loose	700	Closed	-
Punjab	Khanna	Mill Quality Loose	300	300	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	200	200	Unch

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

Wheat Products Delhi	31-Oct-17	30-Oct-17	Change
Atta (50kg) Ordinary	975	975	Unch
Maida Grade 1 (50KG)	1125	1125	Unch
Suji (50kg)	1190	1190	Unch
Chokar (50 kg)	744	744	Unch
Chokar (34 kg)	516	516	Unch
Chakki Atta (50kg)	1030	1030	Unch
Chakki Atta (50kg) Special	1030	1030	Unch
Chakki Atta (90kg) Superfine	NA	NA	-
Chakki Atta (50kg) Superfine	1100	1100	Unch

Wheat (CBOT) Future Price:30.10.2017					
Contract Month	Open	High	Low	Close	Change
17-Dec	427.50	428.25	422.50	424.75	-2.50
18-Mar	444.75	446.00	441.00	443.00	-2.25
18-May	460.00	460.00	454.75	456.50	-2.75
18-Jul	474.50	474.50	469.50	470.75	-3.25
18-Sep	490.50	490.50	485.75	487.00	-3.00
18-Dec	509.00	509.25	505.25	507.00	-1.75

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php> © 2017 Indian Agribusiness Systems Pvt Ltd.