

Wheat Domestic Fundamentals:

According to latest update, area sown until 09th November'17 is 27.39 lakh hectares compared to 25.72 lakh hectares in the previous Rabi season. The normal area is 306.09 lakh hectares. Farmers are motivated as government has doubled import duty to 20 percent and increased MSP of wheat by Rs 110 per quintal.

As per trade sources, Import quotes for wheat from various origins to Tuticorin port witnessed firm tone today. As of now Tuticorin port price for APW is Rs 2060-70 per quintal, ASW is Rs 1990-2000 per quintal and Russian/Ukrainian wheat at Rs 1790-1810 per quintal. Import quotes have become firm as government has increased import duty from 10 percent to 20 percent.

Government has increased import duty on wheat from current level of 10 percent to 20 percent. This move would not only help in curbing imports but also provide support to domestic prices.

There is a rumor in the market that government may not procure wheat at MSP of Rs 1735 per quintal in the upcoming marketing year 2018-19. Government may come up with a new strategy of giving price difference directly in the account of the farmers.

All India average monthly prices for wheat decreased by 0.66 percent from Rs 1890.24 (in September) to Rs 1876.09 per qtl in October-2017. Average price (October) is higher by 3.59 percent compared to price (Rs 1811.11 per qtl.) registered in October-2016. Government has increased MSP of wheat by Rs 110 per quintal to Rs 1735 per quintal. Demand from south Indian millers is weak and prices are likely to stay steady to firm.

Government of Punjab has decided to give seed subsidy directly in the bank accounts of farmers for this season. Farmers can get subsidized seed from registered/certified agencies of government and semi-government institutions. As per Chief Agriculture Officer Dr Gurditta Singh Sidhu, Bhatinda has set a target of selling around 1030 tonne of wheat seed.

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.

International Market Update:

GASC has purchased 120000 tonnes of Russian wheat through tender. ADM offered 60000 tonnes of Russian wheat at FoB \$196.50 per tonne and Union offered 60000 tonnes of Russian wheat at FoB \$196.50 per tonne.

Russian milling wheat prices with 12.5% protein content decreased by around \$0-1 per tonne compared to last week. Prices have become weak due to new Australian wheat crop that is providing tight competition to Russian wheat. Russia is expected to produce 85-90 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 \$183-187/tonne.

As per latest update, Japan's ministry of agriculture bought 132390 MMT of food quality wheat from United States, Canada and Australia. Around 57995 MMT has been bought from United States to be loaded between December 21 and January 20, 24025 MMT of standard white wheat has been bought from west Australia to be loaded between January 01 and January 31 and 50370 MMT with minimum protein content of 13.5 percent has been bought from Canada to be loaded between December 21 and January 20.

As on 07th November Russia has harvested 88.0 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.

As per latest update, china has sold 150353 tonnes of wheat for average price of 2497 yuan (\$377.04) per tonne at an auction of state reserves. The quantity sold represents around 7.47 percent of 2010903 tonnes of wheat available at auction.

As per latest update, Ukraine has sown around 5.9 million hectares of wheat compared to 5.7 million hectares last year during the same time period. Winter wheat accounts for 95 percent of Ukraine's total area for wheat. Ukraine produced around 26.6 million tonnes of wheat in 2017.

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

Wheat Futures Contract: NCDEX Price								Date:10.11.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Nov	-42	1732	1733	1695	1695	2750	1,640	3510	-1,010
17-Dec	-30	1768	1782	1742	1742	3800	-820	9570	1,430
18-Jan	-15	1803	1803	1778	1782	60	0	120	30

Spread	Nov-17	Dec-17	Jan-18	
Spot Narela				
17-Nov	-55			
17-Dec		47		
18-Jan			40	

Stocks	Demat	In- Process	Total	FED
	9.Nov.17	9.Nov.17	9.Nov.17	6.Nov.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	6249	250	6499	3204
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 10.11.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			10-Nov-17	9-Nov-17	
Delhi	Lawrence Road	Mill Delivery	1875	1860	15
	Narella	Mill Quality Loose	1750	1740	10
	Nazafgarh	Mill Quality Loose	1750	1750	Unch
Gujarat	Rajkot	Mill Delivery	1600	1610	-10
	Ahmedabad	Mill Delivery	1740	1770	-30
	Surat	Mill Delivery	1790	1810	-20
	Dhrol	Mill Quality Loose	1765	1755	10
M.P.	Indore	Mill Delivery	1625	1625	Unch
	Bhopal	Mill Quality Loose	1625	1620	5
Rajasthan	Kota	Mill Quality Loose	1575	NR	-
		Mill Delivery	1660	NR	-
U.P.	Kanpur	Mill Delivery	1725	1725	Unch
	Mathura	Mill Quality Loose	1640	1640	Unch
	Kosi	Mill Quality Loose	1665	1615	50
	Hathras	Mill Quality Loose	1685	1685	Unch
	Aligarh	Mill Quality Loose	1620	1620	Unch
Punjab	Khanna	Mill Quality Loose	1695	1695	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1730	1725	5
	Hodal	Mill Delivery	1825	1825	Unch

	Bhiwani	Mill Quality Loose	1750	1750	Unch
	Karnal	Mill Delivery	1720	1720	Unch
	Panipat	Mill Quality Loose	1625	1625	Unch
Tamil Nadu	Chennai	Mill Quality	2050	NR	-
	Madurai	Mill Quality	2107	NR	-
	Coimbatore	Mill Quality	2107	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
			10-Nov-17	9-Nov-17	
Gujarat	Rajkot	Lokwan	1850	1850	Unch
M.P.	Indore	Lokwan	1900	1900	Unch
	Bhopal	Lokwan	1700	1700	Unch
	Bina	Sarbati 306	2350	2350	Unch
Rajasthan	Kota	LokwanBilty	1800	NR	-
	Baran	Lokwan	1675	1675	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			10-Nov-17	9-Nov-17	
Delhi	Lawrence Road	Mill Delivery	7000	8000	-1000
	Narella	Mill Quality Loose	500	600	-100
	Nazafgarh	Mill Quality Loose	150	20	130
Gujarat	Rajkot	Mill Quality Loose	800	800	Unch
	Dhrol	Mill Quality Loose	66	29	37
M.P.	Indore	Mill Quality Loose	2000	2000	Unch
Rajasthan	Kota	Mill Quality	5000	NR	-
U.P.	Kanpur	Mill Quality Loose	1200	1200	Unch
	Mathura	Mill Quality Loose	500	200	300
	Kosi	Mill Quality Loose	150	300	-150
	Hathras	Mill Quality Loose	90	90	Unch
	Aligarh	Mill Quality Loose	300	300	Unch
Punjab	Khanna	Mill Quality Loose	300	500	-200
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	100	100	Unch
	Hodal	Mill Quality Loose	40	25	15
	Bhiwani	Mill Quality Loose	200	200	Unch

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

Wheat Products Delhi	10-Nov-17	9-Nov-17	Change
Atta (50kg) Ordinary	995	995	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:09.11.2017					
Contract Month	Open	High	Low	Close	Change
17-Dec	425.75	432.00	423.75	429.00	2.25
18-Mar	442.75	448.00	439.75	445.00	1.25
18-May	454.75	459.75	451.75	456.00	Unch
18-Jul	469.25	472.75	465.25	469.00	-0.50
18-Sep	485.75	488.00	480.25	483.75	-1.00
18-Dec	505.50	507.50	500.00	502.25	-2.25

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