

Wheat Domestic Fundamentals:

According to latest update, area sown until 30th November'17 is 156.80 lakh hectares compared to 169.57 lakh hectares in the previous Rabi season. The normal area is 301.74 lakh hectares. Progressive area was reported lower in Bihar, Punjab, Haryana, Rajasthan and Madhya Pradesh compared to 01st December'17.

As on 09th November wheat stock in central pool stood at 238.50 lakh tonnes down by around 7.79 percent compared to last month. Highest stock was with Punjab (66.95 lakh tonnes) followed by Madhya Pradesh (52.43 lakh tonnes), Haryana (50.89 lakh tonnes) and Uttar Pradesh (22.12 lakh tonnes). FCI is currently selling wheat through E-Auction at a reserve price of Rs. 1790 per quintal.

All India weekly average prices increased by 1.45 percent to Rs. 1856.01 per quintal during the week ended 30th November 2017. Wheat average price were ruling at Rs 1829.45 per quintal during 16-23 November 2017. As compared to prices in the week 24-30 November 2016, the prices are weak by 8.11 percent. Prices are expected to remain steady to firm in coming days.

As per trade sources, Import quotes for wheat from various origins to Tuticorin port witnessed weak tone in the week. As of now Tuticorin port price for APW is Rs 1970 per quintal, ASW is Rs 1900 per quintal and Ukrainian wheat at Rs 1740 per quintal. Ample availability in the market is keeping global wheat prices under pressure.

FCI has offered a total of 25818002 tonnes of wheat through E-Auction since June until fifth tender in November. Sales through E-Auction of wheat are at lower side this year due to high domestic production and imports. In the month of June 115000 tonnes was sold against offered quantity of 1104050 tonnes, 34400 tonnes was sold in July against offered quantity of 4934602 tonnes, 43550 tonnes was sold in August against offered quantity of 5770100 tonnes, 18050 tonnes was sold in September against offered quantity of 4437300 tonnes, 131150 tonnes was sold in October against offered quantity of 4276700 tonnes and 230750 tonnes has been sold in four tenders of November against offered quantity of 4335450 tonnes.

As per market sources Glencore has loaded largest vessel in South Australia. The Adraina Rose has been loaded with 74000 tonnes of wheat and Barley. The quantity loaded is a mixture of old as well as new crop and is destined for MENA region, South East Asia and Indian subcontinent.

As per latest update third shipment of Indian wheat consisting of 15000 tonnes has reached Chabahar on Saturday and will be unloaded and transited to south-western Afghanistan. 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. Furthermore it will also increase job opportunities in Iran 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.

International Market Update:

As per latest update, Japan's ministry of agriculture bought 151853 MMT of food quality wheat from United States, Canada and Australia. Around 57430 MMT has been bought from United States, 24781 MMT of standard white wheat has been bought from west Australia and 69642 MMT with minimum protein content of 13.5 percent has been bought from Canada to be loaded between January 16 and February 15.

Russian milling wheat prices eased by \$1 per tonne for deep-water ports like Novorossiysk and Odessa compared to last week. Quotes for Azov shallow port remained stable. Russia is expected to produce 83-88 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, Odessa port and Azov port are being quoted at FoB \$189-192/tonne, FoB \$187-190/tonne and FoB \$155-160/tonne respectively.

Algeria state grains agency OAIC has bought around 570000 tonnes of optional-origin milling wheat in a tender that closed on Tuesday. The prices paid were in the range of \$208.75-210.50 per tonne (Cost and Freight). The said quantity is likely to arrive in February however if Argentine wheat is supplied the wheat should be shipped a month earlier.

GASC has purchased 120000 tonnes of Russian wheat through tender. GTCS offered 60000 tonnes of Russian wheat at FoB \$192.99 per tonne and Union offered 60000 tonnes of Russian wheat at FoB \$193.30 per tonne.

As per latest update, farmers in European Union have sowed around 98 percent of planned area compared to 95 percent a week earlier. Furthermore around 96 percent of soft wheat has already emerged and is in good or excellent condition. EU is likely to produce 151.6 MMT of wheat in 2017-18.

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

Wheat Futures Contract: NCDEX Price								Date:04.12.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Dec	-2	1668	1668	1654	1666	1360	910	7510	-900
18-Jan	-2	1705	1705	1691	1698	800	560	3640	570
18-Feb	0	1732	1732	1732	1732	0	0	0	0

Spread	Dec-17	Jan-18	Feb-18	
Spot Narela				
17-Dec	-49			
18-Jan		32		
18-Feb			34	

Stocks	Demat	In- Process	Total	FED
	2.Dec.17	2.Dec.17	2.Dec.17	27.Nov.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	8188	0	8188	7889
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 4.12.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			4-Dec-17	2-Dec-17	
Delhi	Lawrence Road	Mill Delivery	1815	1830	-15
	Narella	Mill Quality Loose	1715	1730	-15
	Nazafgarh	Mill Quality Loose	1720	1730	-10
Gujarat	Rajkot	Mill Delivery	Closed	Closed	-
	Ahmedabad	Mill Delivery	1750	1760	-10
	Surat	Mill Delivery	1810	1810	Unch
	Dhrol	Mill Quality Loose	NR	1715	-
M.P.	Indore	Mill Delivery	1660	Closed	-
	Bhopal	Mill Quality Loose	1625	Closed	-
Rajasthan	Kota	Mill Quality Loose	1560	1560	Unch
		Mill Delivery	1650	1650	Unch
U.P.	Kanpur	Mill Delivery	1615	1625	-10
	Mathura	Mill Quality Loose	1625	1635	-10
	Kosi	Mill Quality Loose	NR	1650	-
	Hathras	Mill Quality Loose	NR	1630	-
	Aligarh	Mill Quality Loose	1600	1600	Unch
Punjab	Khanna	Mill Quality Loose	1725	1720	5
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1710	1715	-5
	Hodal	Mill Delivery	1810	1810	Unch

	Bhiwani	Mill Quality Loose	1770	1750	20
	Karnal	Mill Delivery	1760	1730	30
	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	1650	1650	Unch
	Muzaffarpur	Mill Delivery	1600	1600	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	Closed	Closed	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	Closed	Closed	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			4-Dec-17	2-Dec-17	
Gujarat	Rajkot	Lokwan	Closed	Closed	-
M.P.	Indore	Lokwan	2100	Closed	-
	Bhopal	Lokwan	1720	Closed	-
	Bina	Sarbati 306	2300	2300	Unch
Rajasthan	Kota	LokwanBilty	1750	1750	Unch
	Baran	Lokwan	NR	NR	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			4-Dec-17	2-Dec-17	
Delhi	Lawrence Road	Mill Delivery	6500	7000	-500
	Narella	Mill Quality Loose	300	300	Unch
	Nazafgarh	Mill Quality Loose	100	100	Unch
Gujarat	Rajkot	Mill Quality Loose	Closed	Closed	-
	Dhrol	Mill Quality Loose	NR	30	-
M.P.	Indore	Mill Quality Loose	5000	Closed	-
Rajasthan	Kota	Mill Quality	4000	3500	500
U.P.	Kanpur	Mill Quality Loose	600	600	Unch
	Mathura	Mill Quality Loose	500	400	100
	Kosi	Mill Quality Loose	NR	400	-
	Hathras	Mill Quality Loose	NR	250	-
	Aligarh	Mill Quality Loose	200	200	Unch
Punjab	Khanna	Mill Quality Loose	500	300	200
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	20	20	Unch
	Bhiwani	Mill Quality Loose	200	400	-200

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

Wheat Products Delhi	4-Dec-17	2-Dec-17	Change
Atta (50kg) Ordinary	1015	1015	Unch
Maida Grade 1 (50KG)	1135	1135	Unch
Suji (50kg)	1190	1190	Unch
Chokar (50 kg)	744	744	Unch
Chokar (34 kg)	516	516	Unch
Chakki Atta (50kg)	1025	1025	Unch
Chakki Atta (50kg) Special	1025	1025	Unch
Chakki Atta (90kg) Superfine	NA	NA	-
Chakki Atta (50kg) Superfine	1100	1100	Unch

Wheat (CBOT) Future Price:1.12.2017					
Contract Month	Open	High	Low	Close	Change
17-Dec	409.00	414.75	408.00	414.50	5.25
18-Mar	433.00	439.00	432.00	438.50	5.50
18-May	444.50	451.50	444.25	451.00	6.00
18-Jul	458.50	464.50	457.50	464.25	6.00
18-Sep	472.00	478.50	472.00	478.00	5.25
18-Dec	490.00	497.00	490.00	496.25	5.75

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