

**Wheat Domestic Fundamentals:**

**All India average monthly prices for wheat decreased by 2.46 percent from Rs 1875.99 (in October) to Rs 1829.92 per qtl in November-2017.** Average price (November) is lower by 7.83 percent compared to price (Rs 1985.46 per qtl.) registered in November-2016. Government has increased MSP of wheat by Rs 110 per quintal to Rs 1735 per quintal. Furthermore government has also increased import duty in order to curb imports and provide support to domestic prices.

**FCI will offer a total quantity 941850 tonnes of wheat in different states through e-auction on 07th December at a reserve price of Rs 1790 per quintal.** Of the total quantity in OMSS, highest quantity of 309000 tonnes in Maharashtra followed by 197950 tonnes in Punjab, 115400 tonnes in M.P, 74200 tonnes in Haryana, 60000 tonnes in West Bengal, 50000 tonnes in Odhisa, 23900 tonnes in Tamil Nadu, 20000 tonnes in Rajasthan, 16000 tonnes in Delhi, 15000 tonnes in Uttar Pradesh, 13000 tonnes in Chandigarh, 9500 tonnes in Kerala, 9450 tonnes in Karnataka, 8750 tonnes in J&K, 6500 tonnes in Andhra Pradesh, 3500 tonnes in Assam, 2000 tonnes in Pondicherry, 2000 tonnes in Bihar, 1500 tonnes in Himachal Pradesh, 1500 tonnes in Chhattisgarh, 1500 tonnes in Gujarat, 700 tonnes in Jharkhand and 500 tonnes in Goa.

**According to latest update, area sown until 30<sup>th</sup> 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.

**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.

**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.

**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 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:**

**Egypt, the largest importer of wheat in the world has about 3.4 MMT of wheat in its reserves which are sufficient for around 4.5 months.** Egypt expects to buy 7 MMT of wheat in fiscal year 2017-18 and government has already bought around 3.4 MMT from farmers. In fiscal year 2016-17 Egypt imported around 5.58 MMT compared to 4.44 MMT in the previous year.

**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.

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

Wheat Futures Contract: NCDEX Price								Date:06.12.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Dec	-3	1645	1647	1637	1645	590	-400	6660	-170
18-Jan	-15	1681	1681	1671	1671	610	-150	4350	310
18-Feb	0	1724	1724	1724	1724	0	0	0	0

Spread	Dec-17	Jan-18	Feb-18	
Spot Narela				
17-Dec	-90			
18-Jan		26		
18-Feb			53	

Stocks	Demat	In- Process	Total	FED
	5.Dec.17	5.Dec.17	5.Dec.17	4.Dec.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	7488	0	7488	7488
Rajkot	-	-	-	-

## Wheat Daily Prices and Arrivals on 6.12.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			6-Dec-17	5-Dec-17	
Delhi	Lawrence Road	Mill Delivery	1800	1815	-15
	Narella	Mill Quality Loose	Closed	1735	-
	Nazafgarh	Mill Quality Loose	Closed	1720	-
Gujarat	Rajkot	Mill Delivery	Closed	Closed	-
	Ahmedabad	Mill Delivery	1750	1780	-30
	Surat	Mill Delivery	1800	1810	-10
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Delivery	1660	1660	Unch
	Bhopal	Mill Quality Loose	1630	1625	5
Rajasthan	Kota	Mill Quality Loose	1560	1560	Unch
		Mill Delivery	1650	1650	Unch
U.P.	Kanpur	Mill Delivery	1625	NR	-
	Mathura	Mill Quality Loose	1610	1610	Unch
	Kosi	Mill Quality Loose	1665	1655	10
	Hathras	Mill Quality Loose	1635	1630	5
	Aligarh	Mill Quality Loose	Closed	1600	-
Punjab	Khanna	Mill Quality Loose	1730	1725	5
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1700	1710	-10
	Hodal	Mill Delivery	1800	1810	-10

	Bhiwani	Mill Quality Loose	1760	1750	10
	Karnal	Mill Delivery	1760	1760	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	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
			6-Dec-17	5-Dec-17	
Gujarat	Rajkot	Lokwan	Closed	Closed	-
M.P.	Indore	Lokwan	2100	2100	Unch
	Bhopal	Lokwan	1725	1720	5
	Bina	Sarbati 306	Closed	2300	-
Rajasthan	Kota	LokwanBilty	1750	1750	Unch
	Baran	Lokwan	NR	NR	-

## Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			6-Dec-17	5-Dec-17	
Delhi	Lawrence Road	Mill Delivery	6000	6000	Unch
	Narella	Mill Quality Loose	Closed	250	-
	Nazafgarh	Mill Quality Loose	Closed	150	-
Gujarat	Rajkot	Mill Quality Loose	Closed	Closed	-
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Quality Loose	4000	5000	-1000
Rajasthan	Kota	Mill Quality	1000	2000	-1000
U.P.	Kanpur	Mill Quality Loose	600	NR	-
	Mathura	Mill Quality Loose	100	100	Unch
	Kosi	Mill Quality Loose	300	400	-100
	Hathras	Mill Quality Loose	60	NA	-
	Aligarh	Mill Quality Loose	Closed	250	-
Punjab	Khanna	Mill Quality Loose	500	400	100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	100	20	80
	Bhiwani	Mill Quality Loose	200	200	Unch

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

Wheat Products Delhi	6-Dec-17	5-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:5.12.2017					
Contract Month	Open	High	Low	Close	Change
17-Dec	410.25	411.00	405.75	406.00	-4.25
18-Mar	434.25	436.25	431.00	432.75	-2.50
18-May	447.00	448.25	443.25	445.00	-2.50
18-Jul	460.00	461.25	456.50	458.25	-2.50
18-Sep	474.50	475.00	470.50	472.25	-2.25
18-Dec	493.25	493.25	488.75	490.75	-2.00

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