

Wheat Domestic Fundamentals:

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 being quoted at Rs 2000 per quintal, ASW at Rs 1870 per quintal and Ukrainian wheat at Rs 1720-1730 per quintal. Ample availability in the market is keeping global wheat prices under pressure.

There is a rumor in the market that government may increase import duty from 20 percent to 30 or 40 percent in order to put a complete halt on imports and increase off take of domestic wheat.

FCI will offer a total quantity 1073200 tonnes of wheat in different states through e-auction on 14th December at a reserve price of Rs 1790 per quintal. Of the total quantity in OMSS, highest quantity of 330800 tonnes in Maharashtra followed by 269200 tonnes in Haryana, 120300 tonnes in Punjab, 115400 tonnes in M.P, 60000 tonnes in West Bengal, 50000 tonnes in Odisha, 23000 tonnes in Tamil Nadu, 20000 tonnes in Rajasthan, 16000 tonnes in Delhi, 15000 tonnes in Uttar Pradesh, 14500 tonnes in Chandigarh, 12700 tonnes in Kerala, 6500 tonnes in Andhra Pradesh, 4250 tonnes in J&K, 3200 tonnes in Uttarakhand, 2750 tonnes in Karnataka, 2000 tonnes in Pondicherry, 2000 tonnes in Bihar, 1500 tonnes in Himachal Pradesh, 1500 tonnes in Chhattisgarh, 1500 tonnes in Gujarat, 800 tonnes in Jharkhand and 300 tonnes in Goa.

As per latest update, the second Indian ship carrying 110000 tonnes of wheat in 655 containers has arrived chabahar port. The first ship has already carried 15000 tonnes to the same port. These shipments will demonstrate the viability of the route and the port is likely to become fully operational by the end of next year.

FCI has offered a total of 26759852 tonnes of wheat through E-Auction since June until first tender in December. Sales through E-Auction of wheat are at lower side this year due to high domestic production and imports. In the first tender of December FCI has offered 941850 tonnes.

All India weekly average prices increased by 2.80 percent to Rs. 1804.00 per quintal during the week ended 08th December 2017. Wheat average price were ruling at Rs 1856.01 per quintal during 24-30 November 2017. As compared to prices in the week 01-08 December 2016, the prices are weak by 11.34 percent. Prices are expected to remain steady to weak in coming days.

According to latest update, area sown until 08th December'17 is 190.87 lakh hectares compared to 203.56 lakh hectares in the previous Rabi season. The normal area is 304.43 lakh hectares. Progressive area was reported lower in Punjab, Haryana, Rajasthan, Maharashtra and Madhya Pradesh compared to last year for same date.

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 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 issued a tender for 120000 tonnes of feed wheat. As no offers were received the same quantity will be offered in another tender on 20th December. Japan buys and sells its feed wheat through SBS auctions.

As per latest update, NOFI has bought 65000 tonnes of feed wheat from Agropcorp. The origin is optional and the said quantity is likely to arrive by March 20.

Russian milling wheat prices recovered by \$1-2 per tonne for deep-water ports like Novorossiysk and Odessa compared to last week. Russia produced record crop of around 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 \$191-193/tonne, FoB \$189-191/tonne and FoB \$154-158/tonne respectively.

Government of Bangladesh has approved tender of 50000 tonnes of wheat with 12.5 percent protein content at CiF \$245.35 per tonne. The wheat was sold by South Korean company Singsong Food Corporation. The said quantity is likely to be supplied from black sea region.

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.

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

Wheat Futures Contract: NCDEX Price								Date:13.12.2017	
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Dec	4	1620	1632	1620	1630	1140	1,020	1900	-830
18-Jan	9	1659	1678	1655	1670	1310	210	8380	800
18-Feb	8	1696	1704	1704	1704	10	10	10	10

Spread	Dec-17	Jan-18	Feb-18	
Spot Narela				
17-Dec	-110			
18-Jan		40		
18-Feb			34	

Stocks	Demat	In- Process	Total	FED
	12.Dec.17	12.Dec.17	12.Dec.17	4.Dec.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	6640	0	6640	7488
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 13.12.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			13-Dec-17	12-Dec-17	
Delhi	Lawrence Road	Mill Delivery	1800	1800	Unch
	Narella	Mill Quality Loose	Closed	1725	-
	Nazafgarh	Mill Quality Loose	Closed	1690	-
Gujarat	Rajkot	Mill Delivery	Closed	Closed	-
	Ahmedabad	Mill Delivery	1780	1760	20
	Surat	Mill Delivery	1820	1810	10
	Dhrol	Mill Quality Loose	1740	1800	-60
M.P.	Indore	Mill Delivery	1650	1650	Unch
	Bhopal	Mill Quality Loose	1625	1625	Unch
Rajasthan	Kota	Mill Quality Loose	1560	1560	Unch
		Mill Delivery	1650	1650	Unch
U.P.	Kanpur	Mill Delivery	1640	1655	-15
	Mathura	Mill Quality Loose	1600	1600	Unch
	Kosi	Mill Quality Loose	1660	1650	10
	Hathras	Mill Quality Loose	1650	NR	-
	Aligarh	Mill Quality Loose	Closed	1620	-
Punjab	Khanna	Mill Quality Loose	1740	Closed	-
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1710	1710	Unch
	Hodal	Mill Delivery	1795	1795	Unch

	Bhiwani	Mill Quality Loose	1750	1750	Unch
	Karnal	Mill Delivery	1700	1750	-50
	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	1700	1700	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
			13-Dec-17	12-Dec-17	
Gujarat	Rajkot	Lokwan	Closed	Closed	-
M.P.	Indore	Lokwan	2100	2100	Unch
	Bhopal	Lokwan	1750	1750	Unch
	Bina	Sarbati 306	Closed	2200	-
Rajasthan	Kota	LokwanBilty	1750	1750	Unch
	Baran	Lokwan	1625	1625	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			13-Dec-17	12-Dec-17	
Delhi	Lawrence Road	Mill Delivery	6000	6500	-500
	Narella	Mill Quality Loose	Closed	250	-
	Nazafgarh	Mill Quality Loose	Closed	100	-
Gujarat	Rajkot	Mill Quality Loose	Closed	Closed	-
	Dhrol	Mill Quality Loose	38	56	-18
M.P.	Indore	Mill Quality Loose	3000	3000	Unch
Rajasthan	Kota	Mill Quality	4000	2000	2000
U.P.	Kanpur	Mill Quality Loose	500	900	-400
	Mathura	Mill Quality Loose	100	100	Unch
	Kosi	Mill Quality Loose	300	200	100
	Hathras	Mill Quality Loose	NA	NR	-
	Aligarh	Mill Quality Loose	Closed	200	-
Punjab	Khanna	Mill Quality Loose	300	Closed	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	50	50	Unch
	Bhiwani	Mill Quality Loose	200	300	-100

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

Wheat Products Delhi	13-Dec-17	12-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:12.12.2017					
Contract Month	Open	High	Low	Close	Change
17-Dec	387.25	387.25	386.50	387.25	-0.50
18-Mar	413.25	418.75	410.50	410.75	-2.75
18-May	427.00	431.75	423.75	424.00	-3.25
18-Jul	441.50	445.75	437.00	437.25	-4.25
18-Sep	456.00	460.00	450.50	450.75	-5.25
18-Dec	474.75	478.25	468.25	468.50	-5.75

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