

Wheat Domestic Fundamentals:

According to latest update, area sown until 14th December'17 is 245.50 lakh hectares compared to 250.48 lakh hectares in the previous Rabi season. The normal area is 301.74 lakh hectares. Progressive area was reported lower in Punjab, Haryana, Rajasthan, Maharashtra and Madhya Pradesh compared to last year for same date.

Wheat WPI has increased from 138 in October to 139.4 in November-2017. Monthly wheat inflation has increased by 1.01 percent in November -17 compared to October -17. As compared to October-2016 wheat WPI has decreased by 5.75 percent.

As per market sources, wheat area in Madhya Pradesh is likely to fall this year. Dams in Madhya Pradesh were not filled even after monsoon. Wheat may be replaced by chana in the state as it requires less water compared to wheat. Most affected areas will be Gwalior, Chambal and Rewa.

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.

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 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:

Russian milling wheat prices weakened by \$0-1 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 \$190-193/tonne, FoB \$188-191/tonne and FoB \$153-156/tonne respectively.

As per latest update, Japan's ministry of agriculture bought 147696 MMT of food quality wheat from United States, Canada and Australia. Around 64736 MMT has been bought from United States, 27330 MMT of standard white wheat has been bought from west Australia and 25000 MMT with minimum protein content of 13.5 percent has been bought from Canada. All the shipments are to be loaded between January 16 and February 15.

As per latest update, agricultural ministry of Egypt has decided to end confusion regarding ergot by stating that wheat with ergot content above 0.05 would be rejected whereas shipments having ergot below this level would be treated and accepted.

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

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

Wheat Futures Contact: NCDEX Price							Date:15.12.2017 at 5:00 PM		
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
17-Dec	0	1632	1632	1632	1632	0	-1,140	0	-1,680
18-Jan	-2	1674	1674	1665	1671	790	0	8530	100
18-Feb	0	1704	1704	1704	1704	10	0	20	0

Spread	Dec-17	Jan-18	Feb-18	
Spot Narela				
17-Dec	-88			
18-Jan		39		
18-Feb			33	

Stocks	Demat	In- Process	Total	FED
	14.Dec.17	14.Dec.17	14.Dec.17	4.Dec.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	5953	0	5953	7488
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 15.12.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			15-Dec-17	14-Dec-17	
Delhi	Lawrence Road	Mill Delivery	1810	1810	Unch
	Narella	Mill Quality Loose	1720	1725	-5
	Nazafgarh	Mill Quality Loose	1720	1700	20
Gujarat	Rajkot	Mill Delivery	1640	Closed	-
	Ahmedabad	Mill Delivery	1770	1770	Unch
	Surat	Mill Delivery	1810	1810	Unch
	Dhrol	Mill Quality Loose	1795	NR	-
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	1645	1625	20
	Mathura	Mill Quality Loose	1630	1600	30
	Kosi	Mill Quality Loose	1655	1655	Unch
	Hathras	Mill Quality Loose	1670	1650	20
	Aligarh	Mill Quality Loose	1610	1620	-10
Punjab	Khanna	Mill Quality Loose	1740	1740	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1715	1710	5
	Hodal	Mill Delivery	1795	1795	Unch

	Bhiwani	Mill Quality Loose	1730	1740	-10
	Karnal	Mill Delivery	1700	1700	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	1700	1700	Unch
	Muzaffarpur	Mill Delivery	1600	1600	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	Closed	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	Closed	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			15-Dec-17	14-Dec-17	
Gujarat	Rajkot	Lokwan	1850	Closed	-
M.P.	Indore	Lokwan	2100	2100	Unch
	Bhopal	Lokwan	1725	1710	15
	Bina	Sarbati 306	2300	2300	Unch
Rajasthan	Kota	LokwanBilty	1750	1750	Unch
	Baran	Lokwan	Closed	1650	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			15-Dec-17	14-Dec-17	
Delhi	Lawrence Road	Mill Delivery	7000	5000	2000
	Narella	Mill Quality Loose	300	500	-200
	Nazafgarh	Mill Quality Loose	50	100	-50
Gujarat	Rajkot	Mill Quality Loose	400	Closed	-
	Dhrol	Mill Quality Loose	365	NR	-
M.P.	Indore	Mill Quality Loose	3000	3000	Unch
Rajasthan	Kota	Mill Quality	4500	4000	500
U.P.	Kanpur	Mill Quality Loose	700	400	300
	Mathura	Mill Quality Loose	600	100	500
	Kosi	Mill Quality Loose	600	600	Unch
	Hathras	Mill Quality Loose	150	85	65
	Aligarh	Mill Quality Loose	350	300	50
Punjab	Khanna	Mill Quality Loose	400	400	Unch
	(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	400	400	Unch

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

Wheat Products Delhi	15-Dec-17	14-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:14.12.2017					
Contract Month	Open	High	Low	Close	Change
17-Dec	395.00	395.00	386.50	395.00	2.75
18-Mar	416.50	420.75	416.00	418.25	1.50
18-May	428.75	433.50	428.75	430.75	1.50
18-Jul	442.00	446.75	442.00	443.50	1.00
18-Sep	457.00	460.00	455.75	457.25	1.50
18-Dec	474.50	477.75	473.50	475.50	2.00

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