

Wheat Domestic Fundamentals:

As per trade sources, import quotes for wheat from various origins to Tuticorin port witnessed steady to weak tone in the week. As of now Tuticorin port price for APW is being quoted at Rs 2025 per quintal, ASW at Rs 1925 per quintal and Ukrainian wheat at Rs 1745 per quintal. Ample availability in the market is keeping global wheat prices under pressure.

FCI will offer a total quantity 984150 tonnes of wheat in different states through e-auction on 28th December at a reserve price of Rs 1790 per quintal. Of the total quantity in OMSS, highest quantity of 362000 tonnes in Maharashtra followed by 269200 tonnes in Haryana, 114450 tonnes in M.P, 60000 tonnes in West Bengal, 50000 tonnes in Odisha, 22400 tonnes in Tamil Nadu, 20000 tonnes in Rajasthan, 16000 tonnes in Delhi, 16300 tonnes in Kerala, 15000 tonnes in Uttar Pradesh, 6500 tonnes in Andhra Pradesh, 5150 tonnes in Punjab, 4250 tonnes in J&K, 4000 tonnes in Assam, 3200 tonnes in Uttarakhand, 2500 tonnes in Karnataka, 2000 tonnes in Bihar, 1500 tonnes in Pondicherry, 1500 tonnes in Chattisgarh, 1500 tonnes in Himachal Pradesh, 1500 tonnes in Goa, 1000 tonnes in Gujarat, 1000 tonnes in Jharkhand and 700 tonnes in Chandigarh.

All India weekly average prices increased by 2.28 percent to Rs. 1829.62 per quintal during the week ended 23rd December 2017. Wheat average price were ruling at Rs 1788.92 per quintal during 16-23 December 2017. As compared to prices in the week 16-23 December 2016, the prices are weak by 4.00 percent. Prices are expected to remain steady to firm in coming days.

As per latest update, wheat stock in central pool as on 1st December'17 stood at 216.65 lakh tonnes down by 9.16% compared to last month. This quantity is higher by around 31.33% compared to last year for the same month. For the month of November off take from central pool was around 21.85 lakh tonnes compared to 23.45 lakh tonnes for October '2016 and 30.10 lakh tonnes for October'2015. FCI is currently selling wheat through E-Auction at a reserve price of Rs. 1790 per quintal.

According to latest update, area sown until 21st December'17 is 262.74 lakh hectares compared to 272.62 lakh hectares in the previous Rabi season. The normal area is 301.74 lakh hectares. Progressive area was reported lower in Rajasthan, Maharashtra, Uttar Pradesh and Madhya Pradesh compared to last year for same date.

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.

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 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 180000 tonnes of Russian wheat through tender. GTCS offered 60000 tonnes of Russian wheat at FoB \$192.35 per tonne, Daewoo offered 60000 tonnes of Russian wheat at FoB \$192.80 per tonne and GTCS offered 60000 tonnes of Russian wheat at FoB \$194.90 per tonne.

Russian milling wheat prices remained stable compared to last week. Demand for Russian wheat is good. Russia is expected to produce 85-88 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 is being quoted at FoB \$190-193/tonne whereas milling wheat with 11.5% protein content is being quoted at FoB \$181-186/tonne.

Egypt is likely to plant 3.25 million acres of wheat in the season. Furthermore it has planned to import around 7 million tonnes of wheat from overseas in the fiscal year that has started in July. Egypt has bought 295000 tonnes of wheat in its last tender.

As per latest update, china has sold 153693 tonnes of wheat for average price of 2500 yuan (\$381.69) per tonne at an auction of state reserves on Tuesday. The quantity sold represents around 7.76 percent of wheat available at auction.

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

Wheat Futures Contract: NCDEX Price							Date:28.12.2017 at 5:00 PM		
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
18-Jan	-6	1685	1685	1673	1677	960	-770	6750	-130
18-Feb	-14	1711	1718	1710	1713	570	220	1460	340
18-Mar	-7	1713	1722	1713	1720	60	30	390	50

Spread	Jan-18	Feb-18	Mar-18	
Spot Narela				
18-Jan	-23			
18-Feb		36		
18-Mar			7	

Stocks	Demat	In- Process	Total	FED
	27.Dec.17	27.Dec.17	27.Dec.17	23.Dec.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	5923	30	5953	5953
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 28.12.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			28-Dec-17	27-Dec-17	
Delhi	Lawrence Road	Mill Delivery	1785	1785	Unch
	Narella	Mill Quality Loose	1700	Closed	-
	Nazafgarh	Mill Quality Loose	1700	Closed	-
Gujarat	Rajkot	Mill Delivery	1650	1655	-5
	Ahmedabad	Mill Delivery	1770	1780	-10
	Surat	Mill Delivery	1810	1820	-10
	Dhrol	Mill Quality Loose	1720	1755	-35
M.P.	Indore	Mill Delivery	1650	1650	Unch
	Bhopal	Mill Quality Loose	1675	1700	-25
Rajasthan	Kota	Mill Quality Loose	1570	1570	Unch
		Mill Delivery	1670	1670	Unch
U.P.	Kanpur	Mill Delivery	1640	1640	Unch
	Mathura	Mill Quality Loose	1590	1590	Unch
	Kosi	Mill Quality Loose	1620	1630	-10
	Hathras	Mill Quality Loose	1610	1610	Unch
	Aligarh	Mill Quality Loose	1590	Closed	-
Punjab	Khanna	Mill Quality Loose	1720	1740	-20
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1725	1720	5
	Hodal	Mill Delivery	1795	1795	Unch

	Bhiwani	Mill Quality Loose	1750	1710	40
	Karnal	Mill Delivery	1710	1710	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	1625	1615	10
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			28-Dec-17	27-Dec-17	
Gujarat	Rajkot	Lokwan	1850	1850	Unch
M.P.	Indore	Lokwan	2100	2100	Unch
	Bhopal	Lokwan	1750	1700	50
	Bina	Sarbati 306	NR	Closed	-
Rajasthan	Kota	LokwanBilty	1750	1750	Unch
	Baran	Lokwan	1650	1650	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			28-Dec-17	27-Dec-17	
Delhi	Lawrence Road	Mill Delivery	7000	9000	-2000
	Narella	Mill Quality Loose	600	Closed	-
	Nazafgarh	Mill Quality Loose	80	Closed	-
Gujarat	Rajkot	Mill Quality Loose	700	500	200
	Dhrol	Mill Quality Loose	115	26	89
M.P.	Indore	Mill Quality Loose	3000	1000	2000
Rajasthan	Kota	Mill Quality	4000	4000	Unch
U.P.	Kanpur	Mill Quality Loose	500	600	-100
	Mathura	Mill Quality Loose	400	300	100
	Kosi	Mill Quality Loose	500	700	-200
	Hathras	Mill Quality Loose	100	250	-150
	Aligarh	Mill Quality Loose	150	Closed	-
Punjab	Khanna	Mill Quality Loose	300	300	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	50	40	10
	Bhiwani	Mill Quality Loose	200	200	Unch

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

Wheat Products Delhi	28-Dec-17	27-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:27.12.2017					
Contract Month	Open	High	Low	Close	Change
18-Mar	422.25	428.25	420.75	428.00	5.75
18-May	435.50	441.25	434.00	441.25	5.75
18-Jul	447.50	454.50	446.75	454.50	6.00
18-Sep	459.25	467.25	459.25	467.25	6.50
18-Dec	475.50	484.00	475.50	483.75	6.75
19-Mar	492.00	495.25	492.00	495.25	6.75

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