

**Wheat Domestic Fundamentals:**

**According to latest update, area sown until 28<sup>th</sup> December'17 is 273.85 lakh hectares compared to 290.74 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, Haryana and Madhya Pradesh compared to last year for same date.

**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 Odhisa, 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.

**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:29.12.2017 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	-10	1675	1683	1670	1670	530	-430	6540	-210
18-Feb	-10	1704	1716	1702	1704	430	-140	1720	260
18-Mar	-6	1735	1735	1713	1713	50	-10	420	30

Spread	Jan-18	Feb-18	Mar-18	
Spot Narela				
18-Jan	-30			
18-Feb		34		
18-Mar			9	

Stocks	Demat	In- Process	Total	FED
	28.Dec.17	28.Dec.17	28.Dec.17	23.Dec.17
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	5923	30	5953	5953
Rajkot	-	-	-	-

### Wheat Daily Prices and Arrivals on 29.12.2017

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			29-Dec-17	28-Dec-17	
Delhi	Lawrence Road	Mill Delivery	1785	1785	Unch
	Narella	Mill Quality Loose	1700	1700	Unch
	Nazafgarh	Mill Quality Loose	1700	1700	Unch
Gujarat	Rajkot	Mill Delivery	1660	1650	10
	Ahmedabad	Mill Delivery	1800	1770	30
	Surat	Mill Delivery	1840	1810	30
	Dhrol	Mill Quality Loose	1755	1720	35
M.P.	Indore	Mill Delivery	1650	1650	Unch
	Bhopal	Mill Quality Loose	1675	1675	Unch
Rajasthan	Kota	Mill Quality Loose	1575	1570	5
		Mill Delivery	1675	1670	5
U.P.	Kanpur	Mill Delivery	1645	1640	5
	Mathura	Mill Quality Loose	1590	1590	Unch
	Kosi	Mill Quality Loose	1620	1620	Unch
	Hathras	Mill Quality Loose	1610	1610	Unch
	Aligarh	Mill Quality Loose	1590	1590	Unch
Punjab	Khanna	Mill Quality Loose	1730	1720	10
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1725	1725	Unch
	Hodal	Mill Delivery	1795	1795	Unch

	Bhiwani	Mill Quality Loose	1750	1750	Unch
	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	1625	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			29-Dec-17	28-Dec-17	
Gujarat	Rajkot	Lokwan	1875	1850	25
M.P.	Indore	Lokwan	2100	2100	Unch
	Bhopal	Lokwan	1750	1750	Unch
	Bina	Sarbati 306	NR	NR	-
Rajasthan	Kota	LokwanBilty	1750	1750	Unch
	Baran	Lokwan	1650	1650	Unch

### Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			29-Dec-17	28-Dec-17	
Delhi	Lawrence Road	Mill Delivery	8000	7000	1000
	Narella	Mill Quality Loose	600	600	Unch
	Nazafgarh	Mill Quality Loose	300	80	220
Gujarat	Rajkot	Mill Quality Loose	800	700	100
	Dhrol	Mill Quality Loose	37	115	-78
M.P.	Indore	Mill Quality Loose	3000	3000	Unch
Rajasthan	Kota	Mill Quality	4000	4000	Unch
U.P.	Kanpur	Mill Quality Loose	600	500	100
	Mathura	Mill Quality Loose	400	400	Unch
	Kosi	Mill Quality Loose	450	500	-50
	Hathras	Mill Quality Loose	60	100	-40
	Aligarh	Mill Quality Loose	200	150	50
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	50	50	Unch
	Bhiwani	Mill Quality Loose	300	200	100

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

Wheat Products Delhi	29-Dec-17	28-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:28.12.2017					
Contract Month	Open	High	Low	Close	Change
18-Mar	427.50	428.75	425.25	427.75	-0.25
18-May	441.25	441.50	438.00	440.75	-0.50
18-Jul	454.25	454.50	451.25	454.25	-0.25
18-Sep	467.50	467.50	463.75	466.75	-0.50
18-Dec	482.50	483.00	480.00	483.00	-0.75
19-Mar	495.00	495.00	492.75	494.50	-0.75

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