

Wheat Domestic Fundamentals:

All India weekly average prices increased by 9.14 percent to Rs. 2068.91 per quintal during the week ended 08th January 2018. Wheat average price were ruling at Rs 1895.62 per quintal during 24-31 December 2017. As compared to prices in the week 01-08 January 2017, the prices are firm by 3.85 percent. Prices are expected to remain steady to firm in coming days.

As per trade sources, import quotes for wheat from various origins to Tuticorin port witnessed steady to firm tone in the week. As of now Tuticorin port price for APW is being quoted at Rs 2125 per quintal, ASW at Rs 1985 per quintal and Ukrainian wheat at Rs 1800 per quintal. Ample availability in the market is keeping global wheat prices under pressure.

FCI has offered a total of 31177902 tonnes of wheat through E-Auction since June until first tender in January. Sales through E-Auction of wheat are at lower side this year due to high domestic production and imports.

As per latest update, India has imported around 497.04 thousand tonnes of wheat, highest since April'17. India has imported a total of 1151.97 thousand tonnes of wheat since April'17. Imports are likely to fall in upcoming months as government has increased import duty from 10 percent to 20 percent. India has exported 5957.79 thousand tonnes of wheat in 2016-17 due to two consecutive bad crops.

The demand for Indian wheat in the international market is low. Export window remains restricted due to huge disparity. Other countries like Australia, Russia and Ukraine are able to provide wheat at lower quotes compared to India. In the month of October, India exported 36.87 thousand tonnes of wheat compared to 14.52 in the previous month. India has exported 165.16 thousand tonnes of wheat since April'17 until October'17.

According to latest update, area sown until 05th January'18 is 283.46 lakh hectares compared to 297.67 lakh hectares in the previous Rabi season. The normal area is 304.43 lakh hectares. Progressive area was reported lower in Maharashtra, Uttar Pradesh and Madhya Pradesh compared to last year for same date.

As per Agriwatch preliminary estimate production is likely to be around 91.4 MMT compared to 93.5 MMT last year. Production is likely to fall due to lower acreage this year. 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.

As per latest update, Government of India has extended relaxation on fumigation of agriculture commodities using methyl bromide until 30th June 2018. Earlier government has provided an extension until 31st December 2017. Trade sources indicate that increase in import duty has curbed imports but it hasn't put a complete stop on imports.

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 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:

Algeria state grains agency OAIC has bought around 390000 tonnes of milling wheat in a tender that closed on Thursday. The prices paid were in the range of \$209.25 - \$213.00 per tonne (Cost and Freight). The quantity to be shipped is due in February. Major part of the quantity is likely to be sourced from France and Argentina.

As per latest update, china has sold 216589 tonnes of wheat for average price of 2510 yuan (\$323.23) per tonne at an auction of state reserves on Tuesday. The quantity sold represents around 10.88 percent of 1990314 tonnes wheat available at auction.

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.

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

Wheat Futures Contract: NCDEX Price							Date:08.01.2018 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	+3	1655	1666	1654	1660	1710	280	4690	-170
18-Feb	+3	1688	1699	1686	1693	1660	290	4480	710
18-Mar	+4	1716	1718	1711	1714	220	120	780	90

Spread	Jan-18	Feb-18	Mar-18	
Spot Narela				
18-Jan	-40			
18-Feb		33		
18-Mar			21	

Stocks	Demat	In- Process	Total	FED
	6.Jan.18	6.Jan.18	6.Jan.18	1.Jan.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	5573	30	5603	5953
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 8.1.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			8-Jan-18	6-Jan-18	
Delhi	Lawrence Road	Mill Delivery	1795	1805	-10
	Narella	Mill Quality Loose	1700	1740	-40
	Nazafgarh	Mill Quality Loose	1720	1720	Unch
Gujarat	Rajkot	Mill Delivery	1680	1680	Unch
	Ahmedabad	Mill Delivery	1840	1825	15
	Surat	Mill Delivery	1860	1840	20
	Dhrol	Mill Quality Loose	1815	1855	-40
M.P.	Indore	Mill Delivery	1675	1675	Unch
	Bhopal	Mill Quality Loose	1680	1650	30
Rajasthan	Kota	Mill Quality Loose	1590	1590	Unch
		Mill Delivery	1680	1680	Unch
U.P.	Kanpur	Mill Delivery	1635	1640	-5
	Mathura	Mill Quality Loose	1640	1630	10
	Kosi	Mill Quality Loose	1650	1640	10
	Hathras	Mill Quality Loose	1630	1610	20
	Aligarh	Mill Quality Loose	1625	1625	Unch
Punjab	Khanna	Mill Quality Loose	1710	1720	-10
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1730	1730	Unch
	Hodal	Mill Delivery	1770	1795	-25

	Bhiwani	Mill Quality Loose	1770	1740	30
	Karnal	Mill Delivery	1710	1710	Unch
	Panipat	Mill Quality Loose	1625	1625	Unch
Tamil Nadu	Chennai	Mill Quality	2060	2060	Unch
	Madurai	Mill Quality	2117	2117	Unch
	Coimbatore	Mill Quality	2117	2117	Unch
Bihar	Khagariya	Mill Delivery	1730	1730	Unch
	Muzaffarpur	Mill Delivery	1625	1625	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			8-Jan-18	6-Jan-18	
Gujarat	Rajkot	Lokwan	1900	1900	Unch
M.P.	Indore	Lokwan	1900	1900	Unch
	Bhopal	Lokwan	1800	1750	50
	Bina	Sarbati 306	2500	2500	Unch
Rajasthan	Kota	LokwanBilty	1725	1725	Unch
	Baran	Lokwan	1670	1650	20

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			8-Jan-18	6-Jan-18	
Delhi	Lawrence Road	Mill Delivery	8500	8500	Unch
	Narella	Mill Quality Loose	600	500	100
	Nazafgarh	Mill Quality Loose	100	150	-50
Gujarat	Rajkot	Mill Quality Loose	700	700	Unch
	Dhrol	Mill Quality Loose	12	11	1
M.P.	Indore	Mill Quality Loose	2000	2000	Unch
Rajasthan	Kota	Mill Quality	2000	2000	Unch
U.P.	Kanpur	Mill Quality Loose	400	400	Unch
	Mathura	Mill Quality Loose	250	150	100
	Kosi	Mill Quality Loose	250	300	-50
	Hathras	Mill Quality Loose	85	50	35
	Aligarh	Mill Quality Loose	100	300	-200
Punjab	Khanna	Mill Quality Loose	300	300	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	100	100
	Hodal	Mill Quality Loose	50	50	Unch
	Bhiwani	Mill Quality Loose	200	400	-200

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

Wheat Products Delhi	8-Jan-18	6-Jan-18	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:5.1.2018					
Contract Month	Open	High	Low	Close	Change
18-Mar	433.00	433.75	427.50	430.75	-3.25
18-May	445.50	446.25	440.25	442.75	-3.75
18-Jul	458.50	459.00	453.25	455.75	-3.50
18-Sep	471.50	472.00	467.00	469.50	-3.25
18-Dec	489.00	489.50	484.50	487.25	-2.75
19-Mar	500.50	500.50	497.50	499.50	-2.25

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