

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.

FCI will offer a total quantity 982850 tonnes of wheat in different states through e-auction on 11th January at a reserve price of Rs 1790 per quintal.

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.

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, 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:

As per latest update, Japan's ministry of agriculture bought 91087 MMT of food quality wheat from United States and Canada. Around 56981 MMT has been bought from United States and 34106 MMT with minimum protein content of 13.5 percent has been bought from Canada. All the shipments are to be loaded between February 21 and March 20.

Russian milling wheat prices have become firm by \$1-2 per tonne compared to last week. Unfavourable weather conditions in western hemisphere has strengthened price. Demand for Russian wheat is good. Russia has produced around 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 \$191-193/tonne whereas milling wheat whereas wheat with 12.5% protein content at Azov sea is being quoted at FoB \$155-160/tonne.

GASC has purchased 115000 tonnes of Russian wheat through tender. AOS offered 55000 tonnes of Russian wheat at FoB \$192.00 per tonne and 60000 tonnes of Russian wheat at FoB \$193.30 per tonne.

As per France custom department, India has imported no wheat since July'17 until November'17 compared to 107910 tonnes during the same period in 2016. India fulfilled its import requirement by buying from Black sea region and Australia.

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

Wheat Futures Contract: NCDEX Price							Date: 11.01.2018 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	+33	1648	1687	1648	1685	1300	-950	1860	-510
18-Feb	+38	1680	1720	1678	1720	2690	+1,260	5100	-560
18-Mar	+23	1707	1729	1700	1728	380	+50	1000	+120

Spread	Jan-18	Feb-18	Mar-18	
Spot Narela				
18-Jan	-40			
18-Feb		35		
18-Mar			38	

Stocks	Demat	In- Process	Total	FED
	10.Jan.18	10.Jan.18	10.Jan.18	8.Jan.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	5573	30	5603	5603
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 11.01.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			11-Jan-18	10-Jan-18	
Delhi	Lawrence Road	Mill Delivery	1815	1800	15
	Narella	Mill Quality Loose	1725	Closed	-
	Nazafgarh	Mill Quality Loose	1715	Closed	-
Gujarat	Rajkot	Mill Delivery	1680	1680	Unch
	Ahmedabad	Mill Delivery	1850	1840	10
	Surat	Mill Delivery	1880	1880	Unch
	Dhrol	Mill Quality Loose	1820	1910	-90
M.P.	Indore	Mill Delivery	1675	1675	Unch
	Bhopal	Mill Quality Loose	1680	1680	Unch
Rajasthan	Kota	Mill Quality Loose	1590	1590	Unch
		Mill Delivery	1680	1680	Unch
U.P.	Kanpur	Mill Delivery	1640	1640	Unch
	Mathura	Mill Quality Loose	1610	Closed	-
	Kosi	Mill Quality Loose	1650	1650	Unch
	Hathras	Mill Quality Loose	NR	1640	-
	Aligarh	Mill Quality Loose	1610	Closed	-
Punjab	Khanna	Mill Quality Loose	1720	1735	-15
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1730	1730	Unch
	Hodal	Mill Delivery	1770	1770	Unch

	Bhiwani	Mill Quality Loose	1780	1760	20
	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	1700	1700	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
			11-Jan-18	10-Jan-18	
Gujarat	Rajkot	Lokwan	1900	1900	Unch
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1850	1850	Unch
	Bina	Sarbati 306	2500	Closed	-
Rajasthan	Kota	LokwanBilty	1725	1725	Unch
	Baran	Lokwan	1670	1670	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			11-Jan-18	10-Jan-18	
Delhi	Lawrence Road	Mill Delivery	6000	6500	-500
	Narella	Mill Quality Loose	700	Closed	-
	Nazafgarh	Mill Quality Loose	150	Closed	-
Gujarat	Rajkot	Mill Quality Loose	600	500	100
	Dhrol	Mill Quality Loose	18	26	-8
M.P.	Indore	Mill Quality Loose	4000	4000	Unch
Rajasthan	Kota	Mill Quality	800	1000	-200
U.P.	Kanpur	Mill Quality Loose	300	300	Unch
	Mathura	Mill Quality Loose	250	Closed	-
	Kosi	Mill Quality Loose	200	250	-50
	Hathras	Mill Quality Loose	NR	25	-
	Aligarh	Mill Quality Loose	200	Closed	-
Punjab	Khanna	Mill Quality Loose	400	400	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	100	100	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	11-Jan-18	10-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:10.1.2018					
Contract Month	Open	High	Low	Close	Change
18-Mar	432.25	435.00	431.50	434.25	2.00
18-May	445.00	448.00	444.50	447.75	2.50
18-Jul	457.50	461.00	456.75	460.50	3.00
18-Sep	471.25	474.50	470.75	474.25	3.00
18-Dec	489.50	492.50	488.50	492.50	3.25
19-Mar	502.00	505.00	502.00	505.00	3.25

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