

Wheat Domestic Fundamentals:

Wheat WPI has remained same at 139.4 in December-17. As compared to December-2016 wheat WPI has decreased by 8.47 percent and by 5.69 percent compared to December-2015.

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 2125-2130 per quintal, ASW at Rs 1990-2000 per quintal and Ukrainian wheat at Rs 1880-1890 per quintal. Domestic prices are expected to trade steady to firm in near future.

All India weekly average prices decreased by 6.82 percent to Rs. 1927.87 per quintal during the week ended 15th January 2018. Wheat average price were ruling at Rs 2068.91 per quintal during 01-08 January 2018. As compared to prices in the week 09-15 January 2017, the prices are weak by 8.28 percent. Prices are expected to remain steady to firm in coming days.

Drought in parts of Madhya Pradesh has led to a shift in area from wheat to more lucrative crop like Chana. Shift in acreage in Madhya Pradesh was mainly due to lower water levels in major reservoirs and Chana requires less water compared to wheat. Furthermore, any aberration in weather can adversely affect wheat crop of the state.

FCI has offered a total of 32160752 tonnes of wheat through E-Auction since June until second tender in January. Total sales until fourth tender in December were 749200 tonnes. Sales through E-Auction of wheat are at lower side this year due to high domestic production and imports.

According to latest update, area sown until 12th January'18 is 295.53 lakh hectares compared to 309.99 lakh hectares in the previous Rabi season. The normal area is 301.74 lakh hectares. Progressive area was reported lower in Maharashtra, Uttar Pradesh, Rajasthan 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.

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International Market Update:

As per latest update, Russia has exported around 28.8 MMT of wheat in first eleven month of 2017 compared to 22.9 MMT during the same period in 2016. Of the total quantity exported in 2017, around 27.4 MMT was exported to Non-CIS countries and the rest to CIS countries.

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.

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.

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

Wheat Futures Contract: NCDEX Price							Date: 16.01.2018 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-Feb	-4	1728	1729	1715	1715	580	-270	5400	-30
18-Mar	-2	1736	1736	1727	1727	120	-50	1250	70
18-Apr	0	1681	1681	1681	1681	0	0	0	0

Spread	Feb-18	Mar-18	Apr-18	
Spot Narela				
18-Feb	-25			
18-Mar		12		
18-Apr			-46	

Stocks	Demat	In- Process	Total	FED
	15.Jan.18	15.Jan.18	15.Jan.18	15.Jan.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota				
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 16.01.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			16-Jan-18	15-Jan-18	
Delhi	Lawrence Road	Mill Delivery	1805	1800	5
	Narella	Mill Quality Loose	NA	1740	-
	Nazafgarh	Mill Quality Loose	1730	1720	10
Gujarat	Rajkot	Mill Delivery	1700	1700	Unch
	Ahmedabad	Mill Delivery	1850	1850	Unch
	Surat	Mill Delivery	1880	1875	5
	Dhrol	Mill Quality Loose	1805	1675	130
M.P.	Indore	Mill Delivery	Closed	1670	-
	Bhopal	Mill Quality Loose	Closed	1700	-
Rajasthan	Kota	Mill Quality Loose	1585	1585	Unch
		Mill Delivery	1700	1700	Unch
U.P.	Kanpur	Mill Delivery	1745	1740	5
	Mathura	Mill Quality Loose	1630	1635	-5
	Kosi	Mill Quality Loose	1625	1625	Unch
	Hathras	Mill Quality Loose	NR	NR	-
	Aligarh	Mill Quality Loose	1610	1610	Unch
Punjab	Khanna	Mill Quality Loose	1735	1735	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1725	1735	-10
	Hodal	Mill Delivery	1750	1750	Unch

	Bhiwani	Mill Quality Loose	1760	1760	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	1700	1700	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			16-Jan-18	15-Jan-18	
Gujarat	Rajkot	Lokwan	1900	1900	Unch
M.P.	Indore	Lokwan	Closed	2000	-
	Bhopal	Lokwan	Closed	1850	-
	Bina	Sarbati 306	Closed	2500	-
Rajasthan	Kota	LokwanBilty	1750	1750	Unch
	Baran	Lokwan	1650	1650	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			16-Jan-18	15-Jan-18	
Delhi	Lawrence Road	Mill Delivery	7000	8500	-1500
	Narella	Mill Quality Loose	NA	300	-
	Nazafgarh	Mill Quality Loose	100	100	Unch
Gujarat	Rajkot	Mill Quality Loose	500	400	100
	Dhrol	Mill Quality Loose	18	7	11
M.P.	Indore	Mill Quality Loose	Closed	5000	-
Rajasthan	Kota	Mill Quality	3500	3500	Unch
U.P.	Kanpur	Mill Quality Loose	600	500	100
	Mathura	Mill Quality Loose	200	100	100
	Kosi	Mill Quality Loose	300	300	Unch
	Hathras	Mill Quality Loose	NR	NR	-
	Aligarh	Mill Quality Loose	300	300	Unch
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	200	300	-100

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

Wheat Products Delhi	16-Jan-18	15-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:15.01.2018					
Contract Month	Open	High	Low	Close	Change
18-Mar	433.25	436.00	418.75	420.50	-12.75
18-May	446.75	448.75	432.25	434.25	-12.50
18-Jul	458.75	460.75	445.00	446.50	-12.25
18-Sep	472.00	473.75	459.25	460.50	-11.25
18-Dec	489.75	491.75	478.00	479.25	-10.25
19-Mar	502.50	503.75	490.75	492.50	-9.75

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