

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 2065-2085 per quintal, ASW at Rs 1940-1960 per quintal and Ukrainian wheat at Rs 1915-1935 per quintal. Ample availability in the market is keeping global wheat prices under pressure.

FCI has offered a total of 33232162 tonnes of wheat through E-Auction since June until third tender in January. Of the total quantity offered only 799200 tonnes has been sold until second tender in January.

According to latest update, area sown until 19th January'18 is 298.67 lakh hectares compared to 311.17 lakh hectares in the previous Rabi season. The normal area is 304.43 lakh hectares. Progressive area was reported lower in Maharashtra, Uttar Pradesh, Rajasthan and Madhya Pradesh compared to last year for same date.

As per latest update, wheat stock in central pool as on 1st January'18 stood at 195.62 lakh tonnes down by 9.71% compared to last month. This quantity is higher by around 42.30% compared to last year for the same month. For the month of December'17 off take from central pool was around 21.03 lakh tonnes compared to 27.49 lakh tonnes for December'2016 and 21.22 lakh tonnes for December'2015. FCI is currently selling wheat through E-Auction at a reserve price of Rs. 1790 per quintal.

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.

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:

IGC has increased its forecast for wheat to 757 MMT as on 18th January-2018 for 2017-18. According to estimate by IGC for 2016-17, global wheat production was around 755 MMT against 737 MMT for 2015-16. The difference is around 18 MMT from previous estimate. Higher projection for wheat may pressurize global wheat market at current level. Trade forecast have been kept unchanged at 174 MMT. Consumption has been increased by 2 MMT to 744 MMT for 2017-18. Carryout has been increased by 5 MMT to 254 MMT for 2017-18.

As per latest update, Japan's ministry of agriculture bought 91733 MMT of food quality wheat from United States, Canada and Australia. Around 24160 MMT has been bought from United States, 37383 MMT with minimum protein content of 13.5 percent has been bought from Canada and 30190 tonnes of standard white wheat from west Australia. Shipments from United States and Canada will be loaded between February 21 and March 20 whereas shipment from Australia will be loaded between March 01 and March 31.

Russian milling wheat prices have become firm by \$1 per tonne compared to last week. Strengthening of rouble accompanied with unfavorable weather conditions in western hemisphere and difficulty in transportation 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 \$192-194/tonne whereas milling wheat whereas wheat with 12.5% protein content at Azov sea is being quoted at FoB \$158-166/tonne.

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

Wheat Futures Contract: NCDEX Price							Date: 22.01.2018 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	-8	1687	1697	1684	1686	380	-410	5410	70
18-Mar	+1	1715	1715	1706	1712	50	-230	1620	10
18-Apr	0	1681	1681	1681	1681	0	0	0	0

Spread	Feb-18	Mar-18	Apr-18	
Spot Narela				
18-Feb	-29			
18-Mar		26		
18-Apr			-31	

Stocks	Demat	In- Process	Total	FED
	20.Jan.18	20.Jan.18	20.Jan.18	15.Jan.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	5074	0	5074	5074
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 22.01.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			22-Jan-18	20-Jan-18	
Delhi	Lawrence Road	Mill Delivery	1810	1805	5
	Narella	Mill Quality Loose	1715	1725	-10
	Nazafgarh	Mill Quality Loose	1720	1720	Unch
Gujarat	Rajkot	Mill Delivery	1700	1710	-10
	Ahmedabad	Mill Delivery	1850	1840	10
	Surat	Mill Delivery	1880	1870	10
	Dhrol	Mill Quality Loose	1815	NR	-
M.P.	Indore	Mill Delivery	1690	1700	-10
	Bhopal	Mill Quality Loose	1650	1700	-50
Rajasthan	Kota	Mill Quality Loose	Closed	1600	-
		Mill Delivery	Closed	1705	-
U.P.	Kanpur	Mill Delivery	1725	1725	Unch
	Mathura	Mill Quality Loose	1630	1640	-10
	Kosi	Mill Quality Loose	1610	1610	Unch
	Hathras	Mill Quality Loose	NA	1640	-
	Aligarh	Mill Quality Loose	Closed	1610	-
Punjab	Khanna	Mill Quality Loose	1735	1750	-15
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1730	1735	-5

	Hodal	Mill Delivery	NR	1750	-
	Bhiwani	Mill Quality Loose	1760	1750	10
	Karnal	Mill Delivery	1725	1720	5
	Panipat	Mill Quality Loose	1625	1625	Unch
Tamil Nadu	Chennai	Mill Quality	Closed	2050	-
	Madurai	Mill Quality	Closed	2107	-
	Coimbatore	Mill Quality	Closed	2107	-
Bihar	Khagariya	Mill Delivery	Closed	1700	-
	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
			22-Jan-18	20-Jan-18	
Gujarat	Rajkot	Lokwan	1850	1850	Unch
M.P.	Indore	Lokwan	2000	1950	50
	Bhopal	Lokwan	1735	1800	-65
	Bina	Sarbati 306	NR	NR	-
Rajasthan	Kota	LokwanBilty	Closed	1765	-
	Baran	Lokwan	1650	NR	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			22-Jan-18	20-Jan-18	
Delhi	Lawrence Road	Mill Delivery	10000	6500	3500
	Narella	Mill Quality Loose	500	300	200
	Nazafgarh	Mill Quality Loose	100	150	-50
Gujarat	Rajkot	Mill Quality Loose	600	800	-200
	Dhrol	Mill Quality Loose	30	NR	-
M.P.	Indore	Mill Quality Loose	3000	4000	-1000
Rajasthan	Kota	Mill Quality	Closed	2000	-
U.P.	Kanpur	Mill Quality Loose	650	600	50
	Mathura	Mill Quality Loose	200	150	50
	Kosi	Mill Quality Loose	700	400	300
	Hathras	Mill Quality Loose	NA	600	-
	Aligarh	Mill Quality Loose	Closed	300	-
Punjab	Khanna	Mill Quality Loose	300	600	-300
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	100	100	Unch
	Hodal	Mill Quality Loose	NR	50	-

	Bhiwani	Mill Quality Loose	200	150	50
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	22-Jan-18	20-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:19.01.2018					
Contract Month	Open	High	Low	Close	Change
18-Mar	425.25	427.25	421.50	422.75	-2.50
18-May	438.00	440.00	434.50	435.50	-2.75
18-Jul	451.25	453.00	447.50	448.75	-2.50
18-Sep	466.75	467.50	462.25	463.75	-2.25
18-Dec	484.75	486.00	481.00	482.75	-2.00
19-Mar	499.00	499.75	496.00	496.50	-1.75

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