

Wheat Domestic Fundamentals:

All India weekly average prices decreased by 2.93 percent to Rs. 1871.40 per quintal during the week ended 23rd January 2018. Wheat average price were ruling at Rs 1927.87 per quintal during 09-15 January 2018. As compared to prices in the week 16-23 January 2017, the prices are weak by 9.62 percent. Prices are expected to remain steady to weak in coming days.

Rain on Tuesday in northern plains lead to drop in temperature thus benefitting standing wheat crop. Furthermore, weather office has forecasted cold wave conditions in Punjab, Haryana, West Uttar Pradesh and north Rajasthan. The rains were not heavy but well distributed and will save farmers from at least one cost of irrigation. This year overall wheat acreage is low; therefore such rains will be useful for increasing yields.

FCI will offer a total quantity 1117800 tonnes of wheat in different states through e-auction on 25th 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 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.

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 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 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 weak in the near term.

Wheat Futures Contract: NCDEX Price							Date: 24.01.2018 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	-2	1678	1681	1674	1676	430	-540	5250	-40
18-Mar	-2	1693	1701	1691	1701	200	-50	1630	50
18-Apr	0	1685	1685	1685	1685	0	0	0	0

Spread	Feb-18	Mar-18	Apr-18	
Spot Narela				
18-Feb	-24			
18-Mar		25		
18-Apr			-16	

Stocks	Demat	In- Process	Total	FED
	23.Jan.18	23.Jan.18	23.Jan.18	22.Jan.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	5074	0	5074	5074
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 20.01.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			24-Jan-18	23-Jan-18	
Delhi	Lawrence Road	Mill Delivery	1790	1795	-5
	Narella	Mill Quality Loose	Closed	1700	-
	Nazafgarh	Mill Quality Loose	Closed	NA	-
Gujarat	Rajkot	Mill Delivery	1670	1675	-5
	Ahmedabad	Mill Delivery	1820	1850	-30
	Surat	Mill Delivery	1850	1870	-20
	Dhrol	Mill Quality Loose	1730	1825	-95
M.P.	Indore	Mill Delivery	1690	1690	Unch
	Bhopal	Mill Quality Loose	1650	1650	Unch
Rajasthan	Kota	Mill Quality Loose	1600	1600	Unch
		Mill Delivery	1700	1705	-5
U.P.	Kanpur	Mill Delivery	1730	1725	5
	Mathura	Mill Quality Loose	1630	NA	-
	Kosi	Mill Quality Loose	1600	1600	Unch
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	Closed	NA	-
Punjab	Khanna	Mill Quality Loose	1750	NA	-
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1730	1735	-5
	Hodal	Mill Delivery	1770	1770	Unch

	Bhiwani	Mill Quality Loose	1770	1770	Unch
	Karnal	Mill Delivery	1725	1725	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	Closed	-
	Muzaffarpur	Mill Delivery	1700	Closed	-
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			24-Jan-18	23-Jan-18	
Gujarat	Rajkot	Lokwan	1800	1850	-50
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1735	1735	Unch
	Bina	Sarbati 306	NR	NR	-
Rajasthan	Kota	LokwanBilty	1735	1765	-30
	Baran	Lokwan	1675	1650	25

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			24-Jan-18	23-Jan-18	
Delhi	Lawrence Road	Mill Delivery	7500	8500	-1000
	Narella	Mill Quality Loose	Closed	700	-
	Nazafgarh	Mill Quality Loose	Closed	NA	-
Gujarat	Rajkot	Mill Quality Loose	700	500	200
	Dhrol	Mill Quality Loose	44	51	-7
M.P.	Indore	Mill Quality Loose	1500	2500	-1000
Rajasthan	Kota	Mill Quality	4000	5000	-1000
U.P.	Kanpur	Mill Quality Loose	400	500	-100
	Mathura	Mill Quality Loose	300	NA	-
	Kosi	Mill Quality Loose	200	300	-100
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	Closed	NA	-
Punjab	Khanna	Mill Quality Loose	600	NA	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	100	200	-100
	Hodal	Mill Quality Loose	50	7	43
	Bhiwani	Mill Quality Loose	300	200	100

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

Wheat Products Delhi	24-Jan-18	23-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 (50kg) Superfine	1100	1100	Unch

Wheat (CBOT) Future Price:23.01.2018					
Contract Month	Open	High	Low	Close	Change
18-Mar	423.50	425.00	419.75	421.50	-4.3
18-May	437.00	437.75	432.50	434.25	-4.3
18-Jul	450.00	451.00	446.00	448.00	-4.0
18-Sep	465.75	466.25	461.25	463.25	-4.0
18-Dec	484.75	485.50	480.75	482.50	-4.3
19-Mar	497.50	498.50	494.25	496.25	-4.0

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