

**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.

**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 84577 MMT of food quality wheat from United States and Australia.** Around 60747 MMT has been bought from United States and 23830 tonnes of standard white wheat from west Australia. Shipments from United States 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 \$1-2 per tonne compared to last week.** Strong export demand especially to Egypt 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 \$190-193/tonne whereas milling wheat with 12.5% protein content at Odessa is being quoted at FoB \$189-191/tonne.

**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.

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

Wheat Futures Contract: NCDEX Price							Date: 25.01.2018 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	-6	1690	1690	1670	1671	500	70	5110	-140
18-Mar	+3	1701	1707	1700	1700	240	40	1730	100
18-Apr	0	1677	1677	1677	1677	0	0	0	0

Spread	Feb-18	Mar-18	Apr-18	
Spot Narela				
18-Feb	-29			
18-Mar		29		
18-Apr			-23	

Stocks	Demat	In- Process	Total	FED
	24.Jan.18	24.Jan.18	24.Jan.18	22.Jan.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	5074	0	5074	5074
Rajkot	-	-	-	-

## Wheat Daily Prices and Arrivals on 25.01.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			25-Jan-18	24-Jan-18	
Delhi	Lawrence Road	Mill Delivery	1790	1790	Unch
	Narella	Mill Quality Loose	1700	Closed	-
	Nazafgarh	Mill Quality Loose	1720	Closed	-
Gujarat	Rajkot	Mill Delivery	Closed	1670	-
	Ahmedabad	Mill Delivery	Closed	1820	-
	Surat	Mill Delivery	Closed	1850	-
	Dhrol	Mill Quality Loose	1770	1730	40
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	1700	Unch
U.P.	Kanpur	Mill Delivery	1730	1730	Unch
	Mathura	Mill Quality Loose	1610	1630	-20
	Kosi	Mill Quality Loose	NR	1600	-
	Hathras	Mill Quality Loose	1665	1670	-5
	Aligarh	Mill Quality Loose	1610	Closed	-
Punjab	Khanna	Mill Quality Loose	1740	1750	-10
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1730	1730	Unch
	Hodal	Mill Delivery	1770	1770	Unch

	Bhiwani	Mill Quality Loose	1760	1770	-10
	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	1700	Unch
	Muzaffarpur	Mill Delivery	1725	1700	25
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	Closed	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	Closed	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			25-Jan-18	24-Jan-18	
Gujarat	Rajkot	Lokwan	Closed	1800	-
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1735	1735	Unch
	Bina	Sarbati 306	2400	NR	-
Rajasthan	Kota	LokwanBilty	1735	1735	Unch
	Baran	Lokwan	NR	1675	-

## Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			25-Jan-18	24-Jan-18	
Delhi	Lawrence Road	Mill Delivery	7000	7500	-500
	Narella	Mill Quality Loose	300	Closed	-
	Nazafgarh	Mill Quality Loose	300	Closed	-
Gujarat	Rajkot	Mill Quality Loose	Closed	700	-
	Dhrol	Mill Quality Loose	25	44	-19
M.P.	Indore	Mill Quality Loose	2000	1500	500
Rajasthan	Kota	Mill Quality	3500	4000	-500
U.P.	Kanpur	Mill Quality Loose	500	400	100
	Mathura	Mill Quality Loose	300	300	Unch
	Kosi	Mill Quality Loose	NR	200	-
	Hathras	Mill Quality Loose	500	400	100
	Aligarh	Mill Quality Loose	300	Closed	-
Punjab	Khanna	Mill Quality Loose	500	600	-100
	(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	600	300	300

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

Wheat (CBOT) Future Price:24.01.2018					
Contract Month	Open	High	Low	Close	Change
<b>18-Mar</b>	423.75	434.00	421.75	433.0	<b>9.75</b>
<b>18-May</b>	437.50	448.25	436.25	447.3	<b>10.00</b>
<b>18-Jul</b>	454.25	465.00	453.25	464.3	<b>10.00</b>
<b>18-Sep</b>	470.50	481.50	470.25	481.0	<b>10.00</b>
<b>18-Dec</b>	494.50	502.25	494.50	501.5	<b>9.50</b>
<b>19-Mar</b>	506.00	516.00	506.00	515.3	<b>9.25</b>

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php> © 2018 Indian Agribusiness Systems Pvt Ltd.