

Wheat Domestic Fundamentals:

All India weekly average prices decreased by 1.97 percent to Rs. 1834.45 per quintal during the week ended 31st January 2018. Wheat average price were ruling at Rs 1871.40 per quintal during 16-23 January 2018. As compared to prices in the week 24-31 January 2017, the prices are weak by 7.83 percent. Prices are expected to remain steady to weak in coming days.

FCI will offer a total quantity 1073700 tonnes of wheat in different states through e-auction on 01st February 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 2045-2065 per quintal, ASW at Rs 1925-1945 per quintal and Ukrainian wheat at Rs 1920-1930 per quintal. Ample availability in the market is keeping global wheat prices under pressure.

As per latest update India has exported around 180 thousand tonnes of wheat during April-November 2017-18 compared to 191 thousand tonnes during the same period in 2016-17. In terms of value wheat worth USD 47 million has exported during April-November 2017-18 compared to USD 49 million during the same period in 2016-17. In 2017-18 more than 80 percent has been exported to Nepal and rest to UAE, Afghanistan, Bangladesh, etc. Export volume would not increase much as prices in domestic market still rule higher and other exporting countries are offering wheat at cheaper price with assured quality and delivery schedule.

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.

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.

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, china has sold 13948 tonnes of wheat for average price of 2347 yuan (\$373.22) per tonne at an auction of state reserves on Wednesday. The quantity sold represents around 1.5 percent of 928855 tonnes wheat available at auction.

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.

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

Wheat Futures Contract: NCDEX Price							Date: 31.01.2018 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	0	1672	1672	1656	1658	370	-280	4940	0
18-Mar	-3	1687	1700	1680	1686	830	320	2010	310
18-Apr	0	1681	1681	1681	1681	0	0	0	0

Spread	Feb-18	Mar-18	Apr-18	
Spot Narela				
18-Feb	-22			
18-Mar		28		
18-Apr			-5	

Stocks	Demat	In- Process	Total	FED
	30.Jan.18	30.Jan.18	30.Jan.18	29.Jan.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	5074	0	5074	5074
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 27.01.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			31-Jan-18	30-Jan-18	
Delhi	Lawrence Road	Mill Delivery	1800	1780	20
	Narella	Mill Quality Loose	Closed	1700	-
	Nazafgarh	Mill Quality Loose	Closed	1700	-
Gujarat	Rajkot	Mill Delivery	1625	1625	Unch
	Ahmedabad	Mill Delivery	1780	1790	-10
	Surat	Mill Delivery	1820	1820	Unch
	Dhrol	Mill Quality Loose	NR	1865	-
M.P.	Indore	Mill Delivery	1690	1690	Unch
	Bhopal	Mill Quality Loose	1650	1650	Unch
Rajasthan	Kota	Mill Quality Loose	1575	1575	Unch
		Mill Delivery	1660	1660	Unch
U.P.	Kanpur	Mill Delivery	1735	1735	Unch
	Mathura	Mill Quality Loose	1600	1590	10
	Kosi	Mill Quality Loose	1605	1605	Unch
	Hathras	Mill Quality Loose	1645	1650	-5
	Aligarh	Mill Quality Loose	Closed	1580	-
Punjab	Khanna	Mill Quality Loose	1740	1740	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1725	1730	-5
	Hodal	Mill Delivery	1760	1760	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	1700	Unch
	Muzaffarpur	Mill Delivery	1725	1725	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			31-Jan-18	30-Jan-18	
Gujarat	Rajkot	Lokwan	1775	1800	-25
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1700	1700	Unch
	Bina	Sarbati 306	Closed	2350	-
Rajasthan	Kota	LokwanBilty	1750	1750	Unch
	Baran	Lokwan	NR	1660	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			31-Jan-18	30-Jan-18	
Delhi	Lawrence Road	Mill Delivery	4000	7000	-3000
	Narella	Mill Quality Loose	Closed	NA	-
	Nazafgarh	Mill Quality Loose	Closed	150	-
Gujarat	Rajkot	Mill Quality Loose	700	600	100
	Dhrol	Mill Quality Loose	NR	39	-
M.P.	Indore	Mill Quality Loose	5000	5000	Unch
Rajasthan	Kota	Mill Quality	3000	3500	-500
U.P.	Kanpur	Mill Quality Loose	500	500	Unch
	Mathura	Mill Quality Loose	1300	1200	100
	Kosi	Mill Quality Loose	300	500	-200
	Hathras	Mill Quality Loose	520	550	-30
	Aligarh	Mill Quality Loose	Closed	250	-
Punjab	Khanna	Mill Quality Loose	300	500	-200
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	100	200	-100
	Hodal	Mill Quality Loose	50	50	Unch
	Bhiwani	Mill Quality Loose	200	200	Unch

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

Wheat (CBOT) Future Price:30.01.2018					
Contract Month	Open	High	Low	Close	Change
18-Mar	454.0	458.50	449.75	457.25	8.00
18-May	465.5	471.75	463.00	470.75	8.75
18-Jul	477.8	484.25	475.50	483.50	9.00
18-Sep	491.0	497.50	489.25	496.75	8.50
18-Dec	510.0	516.25	507.75	515.75	8.75
19-Mar	522.3	531.3	522.25	531.25	9.75

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.