

**Wheat Domestic Fundamentals:**

**As per trade sources, import quotes for wheat from various origins to Tuticorin port, witnessed steady to slightly firm tone in the week.** As of now Tuticorin port price for APW is being quoted at Rs 2100-2120 per quintal, ASW at Rs 2000-2030 per quintal and Ukrainian wheat at Rs 1840-1860 per quintal. Prices are likely to stay steady to firm in the coming week.

**Wheat WPI has increased slightly from 139.4 in December-17 to 140.8 in January-2018.** Monthly wheat inflation has increased by 1.00 percent in January-2018 compared to previous month. As compared to January-2017 wheat WPI has decreased by around 6.94 percent.

**Government has fixed wheat procurement target at 32 MMT for 2018-19.** Government target procurement for MY 2017-18 was 33 MMT against which it procured only 30.8 MMT.

**As per latest update, wheat crop has been damaged in state of Madhya Pradesh and Maharashtra** due to untimely rain and hailstorm. More than one lakh hectares of crop has been damaged in Maharashtra, especially in Vidharba and Marathwada region. Sehore, Vidisha, Guna Rajgarh, Harda, Betul and Raisen were impacted in Madhya Pradesh. Farmers in both states have been warned against bad weather in upcoming days and are advised to harvest their crops as early as possible.

**There is a rumour in the market that government may increase import duty** on wheat from 20 percent to 30 percent. This step will put a complete halt on imports and provide support to domestic prices.

**Madhya Pradesh Chief Minister Shivraj Singh Chouhan announced that Madhya Pradesh government will provide additional bonus of Rs 200 per quintal** over MSP of Rs 1735 per quintal on wheat in marketing year 2018-19.

**According to latest update, area sown until 09th February'18 is 304.29 lakh hectares compared to 317.88 lakh hectares in the previous Rabi season.** The normal area is 304.43 lakh hectares. Progressive area was reported lower in Haryana, Maharashtra, Uttar Pradesh, Rajasthan and Madhya Pradesh compared to last year for same date.

**As per latest update by DGCIS, India has exported around 179699 metric tonnes of wheat in April-December (2017-18) compared to 218494 metric tonnes in April- December (2016-17).** In terms of value, exports have decreased by around 13 percent. Overall condition for Indian wheat export is not favourable and export volume would remain low in coming months as other countries are able to provide wheat at lower prices.

**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 84683 MMT of food quality wheat** from United States and Canada. Around 60463 MMT has been bought from United States and around 24220 MMT has been bought from Canada. Shipments from United States and Canada will be loaded between March 21 and April 20.

**As per latest update by FranceAgrimer, French soft wheat exports to Non-European countries in 2017-18 season is likely to be around 9.0 MMT compared to forecast of 9.3 MMT in the previous month.** It has also lowered its outlook for soft wheat shipments within EU to 8.45 MMT from 8.60 MMT last month. This downward revision of exports has led to increase in projected stocks of EU.

**Wheat growers in black sea region have captured share of Australia in south-east Asian market.** Since 2012, Australia has lost around 20 percent of its market share to black sea region. Traders in black sea region are still able to make profit despite wheat glut due to lower production cost. Furthermore they are able to increase wheat yields per hectare at a faster rate than Australia.

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

Wheat Futures Contract: NCDEX Price							Date: 16.02.2018 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	1729	1735	1734	1735	140	50	120	-300
18-Mar	29	1742	1785	1733	1776	2390	10	6860	400
18-Apr	49	1749	1784	1749	1784	60	10	100	50

Spread	Feb-18	Mar-18	Apr-18	
Spot Narela				
18-Feb	15			
18-Mar		41		
18-Apr			8	

Stocks	Demat	In- Process	Total	FED
	15.Jan.18	15.Jan.18	15.Jan.18	13.Jan.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	5074	0	5074	5074
Rajkot	-	-	-	-

## Wheat Daily Prices and Arrivals on 16.02.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			16-Feb-18	15-Feb-18	
Delhi	Lawrence Road	Mill Delivery	1800	1795	5
	Narela	Mill Quality Loose	1720	1700	20
	Nazafgarh	Mill Quality Loose	1700	1700	Unch
Gujarat	Rajkot	Mill Delivery	1590	1570	20
	Ahmedabad	Mill Delivery	1810	1800	10
	Surat	Mill Delivery	1860	1840	20
	Dhrol	Mill Quality Loose	1760	1805	-45
M.P.	Indore	Mill Delivery	1675	Closed	-
	Bhopal	Mill Quality Loose	1650	Closed	-
Rajasthan	Kota	Mill Quality Loose	1650	1650	Unch
		Mill Delivery	1660	1660	Unch
U.P.	Kanpur	Mill Delivery	1735	1735	Unch
	Mathura	Mill Quality Loose	1610	1650	-40
	Kosi	Mill Quality Loose	1640	1640	Unch
	Hathras	Mill Quality Loose	NR	NR	-
	Aligarh	Mill Quality Loose	1615	NR	-
Punjab	Khanna	Mill Quality Loose	1740	1740	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1725	1725	Unch
	Hodal	Mill Delivery	1760	1760	Unch

	Bhiwani	Mill Quality Loose	1740	1750	-10
	Karnal	Mill Delivery	1720	1710	10
	Panipat	Mill Quality Loose	1625	1625	Unch
Tamil Nadu	Chennai	Mill Quality	2000	2000	Unch
	Madurai	Mill Quality	2057	2057	Unch
	Coimbatore	Mill Quality	2057	2057	Unch
Bihar	Khagariya	Mill Delivery	1700	1700	Unch
	Muzaffarpur	Mill Delivery	1650	1650	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			16-Feb-18	15-Feb-18	
Gujarat	Rajkot	Lokwan	1750	1750	Unch
M.P.	Indore	Lokwan	1950	Closed	-
	Bhopal	Lokwan	1750	Closed	-
	Bina	Sarbati 306	2350	Closed	-
Rajasthan	Kota	LokwanBilty	1750	1750	Unch
	Baran	Lokwan	NR	NR	-

## Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			16-Feb-18	15-Feb-18	
Delhi	Lawrence Road	Mill Delivery	7000	11000	-4000
	Narella	Mill Quality Loose	400	300	100
	Nazafgarh	Mill Quality Loose	150	100	50
Gujarat	Rajkot	Mill Quality Loose	2000	1300	700
	Dhrol	Mill Quality Loose	19	17	2
M.P.	Indore	Mill Quality Loose	2000	Closed	-
Rajasthan	Kota	Mill Quality	4000	4000	Unch
U.P.	Kanpur	Mill Quality Loose	400	500	-100
	Mathura	Mill Quality Loose	150	500	-350
	Kosi	Mill Quality Loose	300	400	-100
	Hathras	Mill Quality Loose	NR	NR	-
	Aligarh	Mill Quality Loose	150	NR	-
Punjab	Khanna	Mill Quality Loose	500	300	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	300	-100

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

Wheat (CBOT) Future Price:15.2.2018					
Contract Month	Open	High	Low	Close	Change
18-Mar	455.75	463.50	452.25	461.75	6.00
18-May	469.25	476.75	465.50	475.25	6.00
18-Jul	483.00	491.25	480.25	490.00	6.25
18-Sep	499.50	506.50	496.00	505.50	6.25
18-Dec	519.25	526.75	516.25	526.00	6.25
19-Mar	535.00	541.00	533.00	541.00	5.75

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