

Wheat Domestic Fundamentals:

All India weekly average prices decreased by 3.77 percent to Rs. 1783.61 per quintal during the week ended 15th February 2018. Wheat average price were ruling at Rs 1857.77 per quintal during 01-08 February 2018. As compared to prices in the week 09-15 February 2017, the prices are weak by 9.01 percent. Prices are expected to remain steady to firm in coming days.

FCI will offer a total quantity 997600 tonnes of wheat in different states through e-auction on 22nd February at a reserve price of Rs 1790 per quintal. Of the total quantity in OMSS, highest quantity of 342000 tonnes in Maharashtra followed by 260050 tonnes in Punjab, 195000 tonnes in Haryana, 60000 tonnes in West Bengal, 50000 tonnes in Odisha, 33000 tonnes in Tamil Nadu, 16000 tonnes in Delhi, 15250 tonnes in Kerala, 6500 tonnes in Andhra Pradesh, 6000 tonnes in Chandigarh, 5500 tonnes in J&K, 3000 tonnes in Assam, 2000 tonnes in Bihar, 1500 tonnes in Himachal Pradesh, 1000 tonnes in Pondicherry and 800 tonnes in Gujarat.

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.

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 DGCIIS, 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.

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International Market Update:

Russian milling wheat prices have become firm by \$2 per tonne compared to last week. Volatility in ruble, higher domestic prices and strong export demand especially to Egypt has strengthened price. Russia has produced around 85-86 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 \$198-200/tonne whereas milling wheat whereas wheat with 12.5% protein content at Odessa is being quoted at FoB \$196-198/tonne.

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.

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

Wheat Futures Contract: NCDEX Price							Date: 21.02.2018 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-Mar	-17	1782	1784	1767	1775	970	-3,020	6810	-30
18-Apr	49	1738	1793	1738	1787	290	230	330	0
18-May	0	1752	1752	1752	1752	0	0	0	0

Spread	Mar-18	Apr-18	May-18	
Spot Narela				
18-Mar	50			
18-Apr		12		
18-May			-35	

Stocks	Demat	In- Process	Total	FED
	21.Jan.18	21.Jan.18	21.Jan.18	19.Jan.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	5074	0	5074	5074
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 21.02.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			21-Feb-18	20-Feb-18	
Delhi	Lawrence Road	Mill Delivery	1800	1800	Unch
	Narella	Mill Quality Loose	Closed	1725	-
	Nazafgarh	Mill Quality Loose	Closed	1720	-
Gujarat	Rajkot	Mill Delivery	1650	Closed	-
	Ahmedabad	Mill Delivery	1850	Closed	-
	Surat	Mill Delivery	1900	Closed	-
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Delivery	1700	1700	Unch
	Bhopal	Mill Quality Loose	1800	NR	-
Rajasthan	Kota	Mill Quality Loose	1660	1640	20
		Mill Delivery	1750	1750	Unch
U.P.	Kanpur	Mill Delivery	1745	1740	5
	Mathura	Mill Quality Loose	1625	1650	-25
	Kosi	Mill Quality Loose	1610	1610	Unch
	Hathras	Mill Quality Loose	1630	1650	-20
	Aligarh	Mill Quality Loose	Closed	1630	-
Punjab	Khanna	Mill Quality Loose	1730	1735	-5
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-

Haryana	Sirsa	Mill Delivery loose	1730	1725	5
	Hodal	Mill Delivery	1760	1760	Unch
	Bhiwani	Mill Quality Loose	1750	1760	-10
	Karnal	Mill Delivery	1725	1725	Unch
	Panipat	Mill Quality Loose	1625	1625	Unch
Tamil Nadu	Chennai	Mill Quality	2125	2075	50
	Madurai	Mill Quality	2182	2132	50
	Coimbatore	Mill Quality	2182	2132	50
Bihar	Khagariya	Mill Delivery	1700	1700	Unch
	Muzaffarpur	Mill Delivery	1650	1650	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	1900	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	1900	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			21-Feb-18	20-Feb-18	
Gujarat	Rajkot	Lokwan	1800	Closed	-
M.P.	Indore	Lokwan	2000	1950	50
	Bhopal	Lokwan	1950	NR	-
	Bina	Sarbati 306	Closed	2400	-
Rajasthan	Kota	LokwanBilty	1800	1850	-50
	Baran	Lokwan	1750	1750	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			21-Feb-18	20-Feb-18	
Delhi	Lawrence Road	Mill Delivery	8000	10000	-2000
	Narella	Mill Quality Loose	Closed	500	-
	Nazafgarh	Mill Quality Loose	Closed	150	-
Gujarat	Rajkot	Mill Quality Loose	4500	Closed	-
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Quality Loose	2000	2000	Unch
Rajasthan	Kota	Mill Quality	4000	3000	1000
U.P.	Kanpur	Mill Quality Loose	400	400	Unch
	Mathura	Mill Quality Loose	150	400	-250
	Kosi	Mill Quality Loose	500	400	100
	Hathras	Mill Quality Loose	200	400	-200

	Aligarh	Mill Quality Loose	Closed	250	-
Punjab	Khanna	Mill Quality Loose	500	500	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	100	100	Unch
	Hodal	Mill Quality Loose	60	50	10
	Bhiwani	Mill Quality Loose	200	200	Unch
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat (CBOT) Future Price:20.2.2018					
Contract Month	Open	High	Low	Close	Change
18-Mar	480.00	485.50	470.25	471.75	-6.75
18-May	495.00	500.25	485.50	487.25	-6.25
18-Jul	514.75	517.50	503.00	504.75	-5.75
18-Sep	527.75	534.00	520.50	522.25	-5.50
18-Dec	550.00	554.00	541.50	543.00	-5.25
19-Mar	565.00	565.00	553.00	554.00	-5.50

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