

Wheat Domestic Fundamentals:

As per latest update, wheat stock in central pool as on 1st February'18 stood at 175.47 lakh tonnes down by 10.31% compared to last month. This quantity is higher by around 52.25% compared to last year for the same month. For the month of January'18 off take from central pool was around 20.15 lakh tonnes compared to 22.22 lakh tonnes for January'17 and 34.53 lakh tonnes for January'16. FCI is currently selling wheat through E-Auction at a reserve price of Rs. 1790 per quintal.

As per latest update thunderstorm accompanied with hailstorm is likely to occur at isolated places over Punjab, Haryana, Chandigarh, Uttar Pradesh, North Rajasthan, West Madhya Pradesh, Marathwada & Vidarbha. Farmers have been warned against bad weather in upcoming days and are advised to harvest their crops as early as possible, if they can or take adequate measures to minimize damage.

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.

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.

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: 22.02.2018 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	4	1780	1783	1769	1774	460	-510	6740	-70
18-Apr	-38	1787	1787	1749	1749	290	0	330	0
18-May	0	1757	1757	1757	1757	0	0	0	0

Spread	Mar-18	Apr-18	May-18	
Spot Narela				
18-Mar	59			
18-Apr		-25		
18-May			8	

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 22.02.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			22-Feb-18	21-Feb-18	
Delhi	Lawrence Road	Mill Delivery	1805	1800	5
	Narella	Mill Quality Loose	1715	Closed	-
	Nazafgarh	Mill Quality Loose	1715	Closed	-
Gujarat	Rajkot	Mill Delivery	1650	1650	Unch
	Ahmedabad	Mill Delivery	1870	1850	20
	Surat	Mill Delivery	1915	1900	15
	Dhrol	Mill Quality Loose	1760	NR	-
M.P.	Indore	Mill Delivery	1750	1700	50
	Bhopal	Mill Quality Loose	NR	1800	-
Rajasthan	Kota	Mill Quality Loose	1650	1660	-10
		Mill Delivery	1740	1750	-10
U.P.	Kanpur	Mill Delivery	1745	1745	Unch
	Mathura	Mill Quality Loose	1670	1625	45
	Kosi	Mill Quality Loose	NR	1610	-
	Hathras	Mill Quality Loose	1645	1630	15
	Aligarh	Mill Quality Loose	1630	Closed	-
Punjab	Khanna	Mill Quality Loose	1730	1730	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	1750	20
	Karnal	Mill Delivery	1725	1725	Unch
	Panipat	Mill Quality Loose	1625	1625	Unch
Tamil Nadu	Chennai	Mill Quality	2115	2125	-10
	Madurai	Mill Quality	2172	2182	-10
	Coimbatore	Mill Quality	2172	2182	-10
Bihar	Khagariya	Mill Delivery	1700	1700	Unch
	Muzaffarpur	Mill Delivery	1650	1650	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	1880	1900	-20
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	1880	1900	-20

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			22-Feb-18	21-Feb-18	
Gujarat	Rajkot	Lokwan	1850	1800	50
M.P.	Indore	Lokwan	2200	2000	200
	Bhopal	Lokwan	NR	1950	-
	Bina	Sarbati 306	2400	Closed	-
Rajasthan	Kota	LokwanBilty	1790	1800	-10
	Baran	Lokwan	1750	1750	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			22-Feb-18	21-Feb-18	
Delhi	Lawrence Road	Mill Delivery	7000	8000	-1000
	Narella	Mill Quality Loose	900	Closed	-
	Nazafgarh	Mill Quality Loose	200	Closed	-
Gujarat	Rajkot	Mill Quality Loose	4000	4500	-500
	Dhrol	Mill Quality Loose	56	NR	-
M.P.	Indore	Mill Quality Loose	2500	2000	500
Rajasthan	Kota	Mill Quality	4000	4000	Unch
U.P.	Kanpur	Mill Quality Loose	400	400	Unch
	Mathura	Mill Quality Loose	600	150	450
	Kosi	Mill Quality Loose	NR	500	-
	Hathras	Mill Quality Loose	450	200	250
	Aligarh	Mill Quality Loose	250	Closed	-
Punjab	Khanna	Mill Quality Loose	500	500	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	100	100
	Hodal	Mill Quality Loose	60	60	Unch
	Bhiwani	Mill Quality Loose	300	200	100



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

Wheat (CBOT) Future Price:21.2.2018

Contract Month	Open	High	Low	Close	Change
18-Mar	450.00	452.00	445.50	447.25	-2.00
18-May	463.25	465.00	458.25	459.50	-3.00
18-Jul	479.50	480.50	474.00	474.75	-3.50
18-Sep	497.25	497.25	490.50	491.25	-3.75
18-Dec	516.00	518.00	511.75	512.50	-4.25
19-Mar	532.25	533.25	528.25	528.25	-4.75

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