

**Wheat Domestic Fundamentals:**

**FCI will offer a total quantity 93310 tonnes of wheat in different states through e-auction** on 01st March at a reserve price of Rs 1790 per quintal. Of the total quantity in OMSS, highest quantity of 376500 tonnes in Maharashtra followed by 260200 tonnes in Punjab, 195000 tonnes in Haryana, 45800 tonnes in Madhya Pradesh, 18600 tonnes in Karnataka, 17000 tonnes in Kerala, 10000 tonnes in Chandigarh, 8000 tonnes in J&K and 2000 tonnes in Bihar.

**As per trade sources, import quotes for wheat from various origins to Tuticorin port, witnessed steady tone in the week.** As of now Tuticorin port price for APW is being quoted at Rs 2100-2110 per quintal, ASW at Rs 2010-2025 per quintal and Ukrainian wheat at Rs 1835-1850 per quintal. Ample availability in the market is keeping global wheat prices under pressure.

**As per latest update, India has imported around 242.12 thousand tonnes of wheat in November'17,** lower compared to October'17. India has imported a total of 1394.09 thousand tonnes of wheat since April'17 until November'17. Imports are likely to fall in upcoming months as government has increased import duty from 10 percent to 20 percent. India has imported 5957.79 thousand tonnes of wheat in 2016-17 due to two consecutive bad crops.

**The demand for Indian wheat in the international market is low.** Export window remains restricted due to huge disparity. Other countries like Australia, Russia and Ukraine are able to provide wheat at lower quotes compared to India. In the month of November, India exported 14.53 thousand tonnes of wheat compared to 36.87 in the previous month. India has exported 179.69 thousand tonnes of wheat since April'17 until November'17.

**All India weekly average prices increased by 11.25 percent to Rs. 1984.35 per quintal** during the week ended 23rd February 2018. Wheat average price were ruling at Rs 1783.61 per quintal during 09-15 February 2018. As compared to prices in the week 16-23 February 2017, the prices are weak by 6.63 percent. Prices are expected to remain steady to firm in coming days.

**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.

**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 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.

**International Market Update:**

**Russian milling wheat prices have become firm by \$3-5 per tonne compared to last week.** Strengthening 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 \$202-205/tonne whereas milling wheat whereas wheat with 12.5% protein content at Odessa is being quoted at FoB \$201-203/tonne.

**Russian agriculture consultancy, SovEcon has estimated Russia is likely to export 3.2 MMT and 2.7 MMT** of wheat in the month of February'18 and January'18. Russia has exported around 21.32 MMT of wheat in July-December'17. Russia was able to capture export share of Australia in international market. Russia produced record crop of wheat and was able to sell at more competitive prices compared to Australia.

**The state grains agency of Tunisia has purchased around 25000 tonnes of durum wheat** in a tender which closed on Friday. The durum wheat can be sourced from optional origins and has been purchased at \$288.25 a tonne (Cost and Freight). The said quantity has to be shipped between August and September.

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

Wheat Futures Contract: NCDEX Price							Date: 27.02.2018 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	-11	1765	1770	1746	1760	1410	+630	7150	+10
18-Apr	+12	1760	1768	1755	1760	40	-30	400	+10
18-May	0	1739	1739	1739	1739	0	0	0	0

Spread	Mar-18	Apr-18	May-18	
Spot Narela				
18-Mar	60			
18-Apr		0		
18-May			21	

Stocks	Demat	In- Process	Total	FED
	26.Jan.18	26.Jan.18	26.Jan.18	19.Jan.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	5074	0	5074	5074
Rajkot	-	-	-	-

### Wheat Daily Prices and Arrivals on 27.02.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			27-Feb-18	26-Feb-18	
Delhi	Lawrence Road	Mill Delivery	1770	1780	-10
	Narella	Mill Quality Loose	1700	1700	Unch
	Nazafgarh	Mill Quality Loose	1700	1700	Unch
Gujarat	Rajkot	Mill Delivery	1560	1575	-15
	Ahmedabad	Mill Delivery	1800	1810	-10
	Surat	Mill Delivery	1850	1850	Unch
	Dhrol	Mill Quality Loose	1870	NR	-
M.P.	Indore	Mill Delivery	NR	1750	-
	Bhopal	Mill Quality Loose	1800	1800	Unch
Rajasthan	Kota	Mill Quality Loose	NR	1640	-
		Mill Delivery	NR	1740	-
U.P.	Kanpur	Mill Delivery	1735	1740	-5
	Mathura	Mill Quality Loose	1700	1700	Unch
	Kosi	Mill Quality Loose	1620	NR	-
	Hathras	Mill Quality Loose	NR	1660	-
	Aligarh	Mill Quality Loose	1640	1640	Unch
Punjab	Khanna	Mill Quality Loose	1725	1740	-15
	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	1760	10
	Karnal	Mill Delivery	1725	1725	Unch
	Panipat	Mill Quality Loose	1625	1625	Unch
Tamil Nadu	Chennai	Mill Quality	NR	2115	-
	Madurai	Mill Quality	NR	2172	-
	Coimbatore	Mill Quality	NR	2172	-
Bihar	Khagariya	Mill Delivery	1700	1700	Unch
	Muzaffarpur	Mill Delivery	1650	1650	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	1800	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	1800	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			27-Feb-18	26-Feb-18	
Gujarat	Rajkot	Lokwan	1800	1800	Unch
M.P.	Indore	Lokwan	NR	2200	-
	Bhopal	Lokwan	1950	1950	Unch
	Bina	Sarbati 306	2400	2400	Unch
Rajasthan	Kota	LokwanBilty	NR	1790	-
	Baran	Lokwan	NR	1700	-

### Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			27-Feb-18	26-Feb-18	
Delhi	Lawrence Road	Mill Delivery	9000	11000	-2000
	Narella	Mill Quality Loose	600	500	100
	Nazafgarh	Mill Quality Loose	200	150	50
Gujarat	Rajkot	Mill Quality Loose	11000	11000	Unch
	Dhrol	Mill Quality Loose	26	NR	-
M.P.	Indore	Mill Quality Loose	NR	2000	-
Rajasthan	Kota	Mill Quality	NR	4000	-
U.P.	Kanpur	Mill Quality Loose	400	500	-100
	Mathura	Mill Quality Loose	300	400	-100
	Kosi	Mill Quality Loose	300	NR	-
	Hathras	Mill Quality Loose	NR	500	-
	Aligarh	Mill Quality Loose	100	200	-100
Punjab	Khanna	Mill Quality Loose	400	400	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	100	100

	Hodal	Mill Quality Loose	50	50	Unch
	Bhiwani	Mill Quality Loose	600	400	200
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat (CBOT) Future Price:26.2.2018					
Contract Month	Open	High	Low	Close	Change
18-Mar	458.50	464.00	455.75	459.50	7.25
18-May	469.75	476.75	467.75	472.75	8.50
18-Jul	484.50	491.00	482.75	487.50	8.50
18-Sep	500.00	507.00	498.75	504.00	8.50
18-Dec	518.50	528.50	518.50	525.75	8.75
19-Mar	537.00	544.00	535.75	541.75	8.75

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