

Wheat Domestic Fundamentals:

FCI will offer a total quantity 1204000 tonnes of wheat in different states through e-auction on 03rd March at a reserve price of Rs 1790 per quintal. Sales through E-Auction of wheat are at lower side this year due to high domestic production and imports.

India has received 12.6 mm of actual rainfall against 22.2 mm of normal rainfall in the month of February 2018. In the month of February 2018, deficient rainfall was recorded in Punjab, Haryana, Uttar Pradesh, Rajasthan, Haryana, West Madhya Pradesh, etc. No rain was seen in Gujarat region in the same month. Temperatures have been increasing in past week impacting growth period of wheat in maturity stage. Moderate rain in upcoming days is likely to benefit standing crop.

All India weekly average prices decreased by 10.63 percent to Rs. 1773.42 per quintal during the week ended 28th February 2018. Wheat average price were ruling at Rs 1984.35 per quintal during 16-23 February 2018. As compared to prices in the week 24-28 February 2017, the prices are weak by 14.17 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 firm tone in the week. As of now Tuticorin port price for APW is being quoted at Rs 2180-2200 per quintal, ASW at Rs 2020-2030 per quintal and Ukrainian wheat at Rs 1850-1855 per quintal. Ample availability in the market is keeping global wheat prices under pressure.

Authorities in Punjab have advised farmers to use pesticides to protect their wheat crop from aphids aka tela. Tela usually attacks the crop during rising temperatures. Farmers have reported tela in Kapurthala, Pathankot, Amritsar and Jalandhar districts. Wheat fields those are close to mustard crop have been affected more as yellow color attracts the insect. Punjab is likely to receive rains in coming days, which would lead to death of the pest. Furthermore Kurukshetra district of Haryana has also reported yellow rust on a small scale. Overall crop condition in both the states is good.

As per latest update, showers accompanied with hailstorm were noticed in Jaipur, Alwar, Sawai Madhopur and Jhunjhunu district of Rajasthan. No reports of damage to wheat crop have been received yet. However there are news that mustard crop have been slightly affected. Chief Minister Vasundhara Raje too has ordered for an early crop assessment to take further actions, if need be.

As per second advance estimate, India is likely to produce 97.11 MMT of wheat compared to 98.51 MMT in previous year. The total food grain production is expected at record 277.49 MMT compared to 275.11 MMT last year. This year overall acreage is lower by around 4.27% compared to last years' acreage of 317.88 lakh hectares.

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:

As per latest update, China has lifted embargo on import of wheat from Russia's Amur and Chelyabinsk region. In 2016, China lifted embargo from Russia's Novosibirsk, Novosibirsk, Krasnoyarsk and Altai regions. China bought 0.4 percent (17966 tonnes) of its total wheat from Russia in 2017.

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.

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

Wheat Futures Contract: NCDEX Price							Date: 07.03.2018 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	-5	1784	1784	1764	1770	560	-120	6040	-360
18-Apr	-1	1784	1789	1775	1783	140	-270	780	80
18-May	0	1737	1737	1737	1737	0	0	0	0

Spread	Mar-18	Apr-18	May-18	
Spot Narela				
18-Mar	70			
18-Apr		13		
18-May			-46	

Stocks	Demat	In- Process	Total	FED
	06.Mar.18	06.Mar.18	06.Mar.18	05.Mar.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	5074	0	5074	5074
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 07.03.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			7-Mar-18	6-Mar-18	
Delhi	Lawrence Road	Mill Delivery	1795	1800	-5
	Narella	Mill Quality Loose	Closed	1700	-
	Nazafgarh	Mill Quality Loose	Closed	1690	-
Gujarat	Rajkot	Mill Delivery	1590	1580	10
	Ahmedabad	Mill Delivery	1800	1800	Unch
	Surat	Mill Delivery	1850	1830	20
	Dhrol	Mill Quality Loose	1720	1680	40
M.P.	Indore	Mill Delivery	1750	Closed	-
	Bhopal	Mill Quality Loose	1710	Closed	-
Rajasthan	Kota	Mill Quality Loose	1580	1580	Unch
		Mill Delivery	1660	1660	Unch
U.P.	Kanpur	Mill Delivery	1750	1740	10
	Mathura	Mill Quality Loose	NR	1638	-
	Kosi	Mill Quality Loose	NR	1620	-
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	Closed	NR	-
Punjab	Khanna	Mill Quality Loose	1740	1740	Unch
	Ludhiana (Jagraon)	Mill Delivery	NR	NR	-
Haryana	Sirsa	Mill Delivery loose	1730	1730	Unch
	Hodal	Mill Delivery	1750	1760	-10

	Bhiwani	Mill Quality Loose	1720	1720	Unch
	Karnal	Mill Delivery	1725	1725	Unch
	Panipat	Mill Quality Loose	1625	1625	Unch
Tamil Nadu	Chennai	Mill Quality	2115	2115	Unch
	Madurai	Mill Quality	2172	2172	Unch
	Coimbatore	Mill Quality	2172	2172	Unch
Bihar	Khagariya	Mill Delivery	1700	1700	Unch
	Muzaffarpur	Mill Delivery	1600	NR	-
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	1830	1825	5
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	1830	1825	5

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			7-Mar-18	6-Mar-18	
Gujarat	Rajkot	Lokwan	1800	1800	Unch
M.P.	Indore	Lokwan	2100	Closed	-
	Bhopal	Lokwan	1900	Closed	-
	Bina	Sarbati 306	Closed	Closed	-
Rajasthan	Kota	LokwanBilty	1750	1750	Unch
	Baran	Lokwan	NR	NR	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			7-Mar-18	6-Mar-18	
Delhi	Lawrence Road	Mill Delivery	10000	8500	1500
	Narella	Mill Quality Loose	Closed	400	-
	Nazafgarh	Mill Quality Loose	Closed	100	-
Gujarat	Rajkot	Mill Quality Loose	10000	9000	1000
	Dhrol	Mill Quality Loose	13	58	-45
M.P.	Indore	Mill Quality Loose	1000	Closed	-
Rajasthan	Kota	Mill Quality	3500	3700	-200
U.P.	Kanpur	Mill Quality Loose	400	500	-100
	Mathura	Mill Quality Loose	NR	250	-
	Kosi	Mill Quality Loose	NR	500	-
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	Closed	NR	-
Punjab	Khanna	Mill Quality Loose	1000	400	600
	(Ludhiana)Jagraon	Mill Quality Loose	NR	NR	-
Haryana	Sirsa	Mill Quality Loose	100	100	Unch
	Hodal	Mill Quality Loose	50	60	-10
	Bhiwani	Mill Quality Loose	200	200	Unch



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

Wheat Products Delhi	7-Mar-18	6-Mar-18	Change
Atta (50kg) Ordinary	1015	1015	Unch
Maida Grade 1 (50KG)	1135	1135	Unch
Suji (50kg)	1190	1190	Unch
Chokar (50 kg)	744	744	Unch
Chokar (34 kg)	516	516	Unch
Chakki Atta (50kg)	1025	1025	Unch
Chakki Atta (50kg) Special	1025	1025	Unch
Chakki Atta (90kg) Superfine	NA	NA	-
Chakki Atta (50kg) Superfine	1100	1100	Unch

Wheat (CBOT) Future Price:06.3.2018					
Contract Month	Open	High	Low	Close	Change
18-Mar	498.75	502.00	496.75	502.00	-0.25
18-May	506.25	507.75	495.25	507.00	-2.25
18-Jul	520.25	521.75	509.50	521.25	-2.00
18-Sep	534.00	536.75	524.50	536.25	-1.25
18-Dec	553.00	555.25	543.25	554.75	-1.00
19-Mar	566.00	569.75	558.50	569.25	-0.75

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