

### **Wheat Domestic Fundamentals:**

**Wheat WPI has decreased slightly from 140.8 in January-18 to 140.0 in February-2018.** Monthly wheat inflation has decreased by 0.57 percent in February -2018 compared to previous month. As compared to February -2017 wheat WPI has decreased by around 6.23 percent.

**FCI will offer a total quantity 1354550 tonnes of wheat** in different states through e-auction on 15th March at a reserve price of Rs 1790 per quintal.

**All India weekly average prices increased by 5.38 percent to Rs. 1868.76 per quintal during the week ended 08th March 2018.** Wheat average price were ruling at Rs 1773.42 per quintal during 24-28 February 2018. As compared to prices in the week 01-08 March 2017, the prices are weak by 9.81 percent. Prices are expected to remain steady to firm in coming days.

**As per France custom department, India has imported no wheat since July'17 until January'18 compared to 107910 tonnes** during the same period in 2016-2017. India fulfilled its import requirement by buying from Black sea region and Australia.

**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.

**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 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:**

**Algeria state grains agency OAIC has bought around 150000 tonnes of milling wheat in a tender.** The prices paid were in the range of \$225.00 to \$226.00 per tonne (Cost and Freight). The quantity to be shipped is due in June. The origin of wheat that is to be supplied is at seller's option.

**Russian milling wheat prices have become firm by \$3-4 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 \$206-207.50/tonne whereas milling wheat whereas wheat with 12.5% protein content at Odessa is being quoted at FoB \$206.50-208/tonne.

**Major feedmill group of south korea has purchased around 65000 tonnes of feed wheat at \$233.40/tonne cost and freight.** Around \$1.5 per tonne will be charged for port unloading. The quantity is likely to be shipped between May 11 and June 10. Feed wheat can be sourced from any origin except Pakistan, India, Denmark and Argentina.

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

Wheat Futures Contract: NCDEX Price							Date: 15.03.2018 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	0	1702	1702	1702	1702	0	0	10	0
18-Apr	-2	1790	1790	1782	1788	70	-230	1120	-20
18-May	0	1745	1745	1745	1745	0	0	0	0

Spread	Mar-18	Apr-18	May-18	
<b>Spot Narela</b>				
18-Mar	2			
18-Apr		86		
18-May			-43	

Stocks	Demat	In- Process	Total	FED
	14.Mar.18	14.Mar.18	14.Mar.18	12.Mar.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	5074	0	5074	5074
Rajkot	-	-	-	-

**Wheat Daily Prices and Arrivals on 15.03.2018**

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			15-Mar-18	14-Mar-18	
Delhi	Lawrence Road	Mill Delivery	1785	1785	Unch
	Narella	Mill Quality Loose	1700	Closed	-
	Nazafgarh	Mill Quality Loose	1700	Closed	-
Gujarat	Rajkot	Mill Delivery	1600	1600	Unch
	Ahmedabad	Mill Delivery	1820	1820	Unch
	Surat	Mill Delivery	1850	1850	Unch
	Dhrol	Mill Quality Loose	1820	1755	65
M.P.	Indore	Mill Delivery	1725	1675	50
	Bhopal	Mill Quality Loose	1820	1775	45
Rajasthan	Kota	Mill Quality Loose	1640	1625	15
		Mill Delivery	1780	1750	30
U.P.	Kanpur	Mill Delivery	1750	1750	Unch
	Mathura	Mill Quality Loose	1630	1650	-20
	Kosi	Mill Quality Loose	1590	1590	Unch
	Hathras	Mill Quality Loose	1625	1625	Unch
	Aligarh	Mill Quality Loose	1600	Closed	-
Punjab	Khanna	Mill Quality Loose	1730	1730	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-

<b>Haryana</b>	Sirsa	Mill Delivery loose	1715	1715	Unch
	Hodal	Mill Delivery	1750	1750	Unch
	Bhiwani	Mill Quality Loose	1700	1700	Unch
	Karnal	Mill Delivery	1725	1725	Unch
	Panipat	Mill Quality Loose	1625	1625	Unch
<b>Tamil Nadu</b>	Chennai	Mill Quality	2100	2100	Unch
	Madurai	Mill Quality	2157	2200	-43
	Coimbatore	Mill Quality	2157	2250	-93
<b>Bihar</b>	Khagariya	Mill Delivery	1700	1700	Unch
	Muzaffarpur	Mill Delivery	1640	1640	Unch
<b>FOR</b>	Kandla (Rajasthan-Rajkot)	Mill Quality	1820	1820	Unch
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	1820	1820	Unch

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			15-Mar-18	14-Mar-18	
<b>Gujarat</b>	Rajkot	Lokwan	1825	1825	Unch
<b>M.P.</b>	Indore	Lokwan	2100	2200	-100
	Bhopal	Lokwan	1900	1900	Unch
	Bina	Sarbati 306	2400	Closed	-
<b>Rajasthan</b>	Kota	LokwanBilty	1825	1800	25
	Baran	Lokwan	1800	1800	Unch

**Wheat Arrivals in Key Centers:**

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			15-Mar-18	14-Mar-18	
<b>Delhi</b>	Lawrence Road	Mill Delivery	8000	11000	-3000
	Narella	Mill Quality Loose	500	Closed	-
	Nazafgarh	Mill Quality Loose	50	Closed	-
<b>Gujarat</b>	Rajkot	Mill Quality Loose	10000	12000	-2000
	Dhrol	Mill Quality Loose	59	46	13
<b>M.P.</b>	Indore	Mill Quality Loose	2000	2000	Unch
<b>Rajasthan</b>	Kota	Mill Quality	4000	2000	2000
<b>U.P.</b>	Kanpur	Mill Quality Loose	400	500	-100
	Mathura	Mill Quality Loose	200	250	-50
	Kosi	Mill Quality Loose	300	200	100
	Hathras	Mill Quality Loose	450	450	Unch
	Aligarh	Mill Quality Loose	400	Closed	-
<b>Punjab</b>	Khanna	Mill Quality Loose	300	300	Unch

	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Quality Loose	200	200	Unch
	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 Products Delhi	15-Mar-18	14-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:14.3.2018					
Contract Month	Open	High	Low	Close	Change
<b>18-Mar</b>	485.00	496.50	485.00	495.75	10.25
<b>18-May</b>	485.50	490.50	483.00	488.75	2.25
<b>18-Jul</b>	503.25	508.00	501.00	506.25	1.75
<b>18-Sep</b>	519.25	524.25	517.50	522.75	1.75
<b>18-Dec</b>	539.25	544.75	537.75	543.50	2.50
<b>19-Mar</b>	554.00	560.50	553.00	559.00	3.25

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