

Wheat Domestic Fundamentals:

As per latest update by DGCIS, India has exported around 192957 metric tonnes of wheat in April-January (2017-18) compared to 239308 metric tonnes in April- January (2016-17). In terms of value, exports have decreased by around 18 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.

FCI will offer a total quantity 136000 tonnes of wheat in different states through e-auction on 22nd March at a reserve price of Rs 1790 per quintal. Of the total quantity in OMSS, highest quantity of 60000 tonnes in West Bengal, 36000 tonnes in Tamil Nadu, 26700 tonnes in Kerala, 6500 tonnes in Andhra Pradesh, 3800 tonnes in Assam, 1500 tonnes in Himachal Pradesh and 1500 tonnes in Pondicherry.

As per trade sources, import quotes for wheat from various origins to Tuticorin port, witnessed steady to weak tone in the week. As of now Tuticorin port price for APW is being quoted at Rs 2190-2200 per quintal, ASW at Rs 1990-2010 per quintal and Ukrainian wheat at Rs 1820-1850 per quintal. Ample availability in the market is keeping global wheat prices under pressure.

As per latest update, state and central agencies have started wheat procurement in Gujarat, Rajasthan and Madhya Pradesh for central pool. FCI expects to procure more than their target of 32 MMT for 2018-19 for 2019-19 at MSP of Rs. 1735 per quintal. Procurement in other states like Punjab in Haryana is likely to start from 1st April'18. Furthermore, FCI is also expecting a major increase in procurement from Uttar Pradesh and Madhya Pradesh.

IMD has issued warning for thunderstorm accompanied with gusty winds in wheat growing regions such as Punjab, Haryana, North Rajasthan, etc. Temperature is likely to increase by 2-3 degree celcius in coming days. Increase in temperature may affect the yield of crop in maturity or harvesting stage.

All India weekly average prices decreased by 3.95 percent to Rs. 1794.90 per quintal during the week ended 15th March 2018. Wheat average price were ruling at Rs 1868.76 per quintal during 01-08 March 2018. As compared to prices in the week 09-15 March 2017, the prices are weak by 8.89 percent. Prices are expected to remain steady to weak in coming days due to increasing arrival pressure.

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:

Russian milling wheat prices remained steady to firm by \$0-1 per tonne compared to last week. strong export demand especially to Egypt has strengthened prices however, stocks in Russia are still at higher side. 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 \$205.00-209.00/tonne whereas milling wheat with 11.5% protein content is being quoted at FoB \$202.00-205.00/tonne.

GASC has purchased 240000 tonnes of Russian and Romanian wheat through tender. Of the total quantity 120000 tonnes has been sourced from Russia and remaining 120000 tonnes from Romania. Aston offered 60000 tonnes of Russian wheat at FoB \$216.97 per tonne; GTCS offered 60000 tonnes of Russian wheat at FoB \$217.00 per tonne, ADM offered 60000 tonnes of Romanian wheat at FoB \$218.79 per tonne and Cerealscom offered 60000 tonnes of Romanian wheat at FoB \$218.79 per tonne.

As per latest update, Japan's ministry of agriculture bought 119610 MMT of food quality wheat from United States, Canada and Australia. Around 32285 MMT has been bought from United States; Around 59730 MMT has been bought from Canada and 27595 tonnes of standard white wheat from west Australia. Shipments from United States and Canada will be loaded between April 21 and May 20 whereas shipment from Australia will be loaded between May 01 and May 31.

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

Wheat Futures Contract: NCDEX Price							Date: 21.03.2018 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-Apr	-23	1760	1760	1740	1740	510	420	1340	110
18-May	0	1750	1750	1750	1750	0	0	0	0
18-Jun	0	1762	1762	1762	1762	0	0	0	0

Spread	Apr-18	May-18	June-18	
Spot Narela				
18-Apr	60			
18-May		10		
18-June			12	

Stocks	Demat	In- Process	Total	FED
	20.Mar.18	20.Mar.18	20.Mar.18	19.Mar.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	5074	0	5074	5074
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 21.03.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			21-Mar-18	20-Mar-18	
Delhi	Lawrence Road	Mill Delivery	1765	1775	-10
	Narella	Mill Quality Loose	Closed	1680	-
	Nazafgarh	Mill Quality Loose	Closed	1700	-
Gujarat	Rajkot	Mill Delivery	1565	1550	15
	Ahmedabad	Mill Delivery	1725	1725	Unch
	Surat	Mill Delivery	1775	1775	Unch
	Dhrol	Mill Quality Loose	NR	1805	-
M.P.	Indore	Mill Delivery	1650	1650	Unch
	Bhopal	Mill Quality Loose	1775	1800	-25
Rajasthan	Kota	Mill Quality Loose	1600	1615	-15
		Mill Delivery	1710	1715	-5
U.P.	Kanpur	Mill Delivery	1740	1750	-10
	Mathura	Mill Quality Loose	1620	1630	-10
	Kosi	Mill Quality Loose	1520	1590	-70
	Hathras	Mill Quality Loose	1640	1635	5
	Aligarh	Mill Quality Loose	Closed	1600	-
Punjab	Khanna	Mill Quality Loose	1740	1720	20
	Ludhiana (Jagraon)	Mill Delivery	NR	NA	-
Haryana	Sirsa	Mill Delivery loose	Closed	1715	-
	Hodal	Mill Delivery	1750	1750	Unch

	Bhiwani	Mill Quality Loose	1710	1660	50
	Karnal	Mill Delivery	1700	1725	-25
	Panipat	Mill Quality Loose	1625	1625	Unch
Tamil Nadu	Chennai	Mill Quality	2100	2100	Unch
	Madurai	Mill Quality	2157	2157	Unch
	Coimbatore	Mill Quality	2157	2157	Unch
Bihar	Khagariya	Mill Delivery	1700	1700	Unch
	Muzaffarpur	Mill Delivery	1640	1640	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	1850	1865	-15
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	1850	1865	-15

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			21-Mar-18	20-Mar-18	
Gujarat	Rajkot	Lokwan	1800	1750	50
M.P.	Indore	Lokwan	2050	2050	Unch
	Bhopal	Lokwan	1850	1850	Unch
	Bina	Sarbati 306	Closed	2350	-
Rajasthan	Kota	Lokwan Bilty	1820	1820	Unch
	Baran	Lokwan	NR	1810	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			21-Mar-18	20-Mar-18	
Delhi	Lawrence Road	Mill Delivery	9000	9000	Unch
	Narella	Mill Quality Loose	Closed	400	-
	Nazafgarh	Mill Quality Loose	Closed	100	-
Gujarat	Rajkot	Mill Quality Loose	8000	18000	-10000
	Dhrol	Mill Quality Loose	NR	112	-
M.P.	Indore	Mill Quality Loose	4000	4000	Unch
Rajasthan	Kota	Mill Quality	20000	10000	10000
U.P.	Kanpur	Mill Quality Loose	500	500	Unch
	Mathura	Mill Quality Loose	100	200	-100
	Kosi	Mill Quality Loose	500	500	Unch
	Hathras	Mill Quality Loose	30	250	-220
	Aligarh	Mill Quality Loose	Closed	300	-
Punjab	Khanna	Mill Quality Loose	300	500	-200
	(Ludhiana)Jagraon	Mill Quality Loose	NR	NA	-
Haryana	Sirsa	Mill Quality Loose	Closed	200	-
	Hodal	Mill Quality Loose	20	50	-30
	Bhiwani	Mill Quality Loose	600	300	300

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

Wheat Products Delhi	21-Mar-18	20-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:20.3.2018					
Contract Month	Open	High	Low	Close	Change
18-May	452.5	457.50	450.00	453.00	2.25
18-Jul	469.3	474.25	466.50	468.75	1.00
18-Sep	485.0	490.75	483.75	485.25	0.75
18-Dec	507.5	512.25	505.75	506.50	0.25
19-Mar	525.3	528.75	522.50	523.50	Unch
19-May	536.3	537.75	531.50	532.50	0.25

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