

Wheat Domestic Fundamentals:

As per trade sources, import quotes for wheat from various origins to Tuticorin port, witnessed steady weak tone in the week. As of now Tuticorin port price ASW at Rs 1965-1980 per quintal and Ukrainian wheat at Rs 1780-1790 per quintal. Traders are not quoting prices for APW due to lower availability. Ample availability in the market is keeping global wheat prices under pressure.

Government agencies have started procurement since 15th March'18. Until 02nd April'18 government has procured around 4.97 lakh tonnes of wheat. Of the total quantity procured, around 4.91 lakh tonnes have been procured from Madhya Pradesh, 0.06 lakh tonnes from Gujarat and 0.13 in Rajasthan. In Rabi marketing season 2018-19 government has set procurement target of 32 MMT.

All India weekly average prices decreased by 2.03 percent to Rs. 1759.97 per quintal during the week ended 31st March 2018. Wheat average price were ruling at Rs 1796.46 per quintal during 16-23 March 2018. As compared to prices in the week 24-31 March 2017, the prices are weak by 7.58 percent. Prices are expected to remain steady to weak in coming days due to increasing arrival pressure.

As per latest update, wheat stock in central pool as on 1st March'18 stood at 151.55 lakh tonnes down by 13.63% compared to last month. This quantity is higher by around 60.73% compared to last year for the same month. For the month of February'18 off take from central pool was around 23.92 lakh tonnes compared to 20.96 lakh tonnes for February'17 and 34.70 lakh tonnes for February'16. FCI is currently selling wheat through E-Auction at a reserve price of Rs. 1790 per quintal.

FCI has offered a total of 42719512 tonnes of wheat through E-Auction since June until fourth tender in March. Of the total quantity offered around 1399950 tonnes has been sold. Sales through E-Auction of wheat are at lower side this year due to high domestic production and imports.

As per latest update, Uttar Pradesh government has set a procurement target of 50 LMT at MSP of Rs 1735 per quintal. For this purpose the state government will set up around 5500 procurement centres. The regional food controller, S K Singh, said, "The permitted moisture level in wheat has been fixed at 12 %. If it exceeds up to 14%, the value of wheat will be deducted by 2% accordingly. Crops where moisture level is above 14 % will be rejected."

Wheat production in MY 2018-19 is likely to be lower compared to last year. Higher temperature, scanty rains accompanied with strong winds is likely to impact yield mainly in northern states like Uttar Pradesh, Punjab and Haryana. However, light rains in Punjab are likely to benefit wheat crop affected by aphid.

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.

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:

GASC has purchased 475000 tonnes of Russian and Romanian wheat through tender. Of the total quantity 355000 tonnes has been sourced from Russia and remaining 120000 tonnes from Romania. GTCS offered 55000 tonnes of Russian wheat at FoB \$217.00 per tonne; GTCS offered 60000 tonnes of Russian wheat at FoB \$218.00 per tonne, Daewoo offered 60000 tonnes of Russian wheat at FoB \$218.40 per tonne, ADM offered 60000 tonnes of Romanian wheat at FoB \$219.30 per tonne, Aston offered 60000 tonnes of Russian wheat at FoB \$219.30 per tonne, GTCS offered 60000 tonnes of Russian wheat at FoB \$219.90 per tonne, Cargill offered 60000 tonnes of Romanian wheat at FoB \$219.90 per tonne and Ameropa offered 60000 tonnes of Romanian wheat at FoB \$219.65 per tonne

As per latest update, china has sold 8129 tonnes of wheat for average price of 2277 yuan (\$363.35) per tonne at an auction of state reserves. The quantity sold represents around 0.46 percent of 1749156 tonnes wheat available at auction.

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

Wheat Futures Contract: NCDEX Price							Date: 03.04.2018 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	2	1662	1680	1662	1679	200	-30	2300	0
18-May	0	1700	1700	1700	1700	30	0	260	0
18-Jun	0	1723	1723	1723	1723	0	0	0	0

Spread	Apr-18	May-18	June-18	
Spot Narela				
18-Apr	-21			
18-May		21		
18-June			23	

Stocks	Demat	In- Process	Total	FED
	2.Apr.18	2.Apr.18	2.Apr.18	2.Apr.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	5074	0	5074	5074
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 03.04.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			3-Apr-18	2-Apr-18	
Delhi	Lawrence Road	Mill Delivery	1755	1765	-10
	Narella	Mill Quality Loose	1700	1700	Unch
	Nazafgarh	Mill Quality Loose	1670	1670	Unch
Gujarat	Rajkot	Mill Delivery	1505	1510	-5
	Ahmedabad	Mill Delivery	1725	NA	-
	Surat	Mill Delivery	1750	1800	-50
	Dhrol	Mill Quality Loose	2025	Closed	-
M.P.	Indore	Mill Delivery	1675	1600	75
	Bhopal	Mill Quality Loose	1650	1700	-50
Rajasthan	Kota	Mill Quality Loose	1525	1540	-15
		Mill Delivery	1605	1630	-25
U.P.	Kanpur	Mill Delivery	1715	1715	Unch
	Mathura	Mill Quality Loose	Closed	1600	-
	Kosi	Mill Quality Loose	1605	1600	5
	Hathras	Mill Quality Loose	NR	1605	-
	Aligarh	Mill Quality Loose	1600	1600	Unch
Punjab	Khanna	Mill Quality Loose	1730	Closed	-
	Ludhiana (Jagraon)	Mill Delivery	NA	Closed	-
Haryana	Sirsa	Mill Delivery loose	1715	1715	Unch
	Hodal	Mill Delivery	1700	1700	Unch

	Bhiwani	Mill Quality Loose	1700	1700	Unch
	Karnal	Mill Delivery	1700	1700	Unch
	Panipat	Mill Quality Loose	1625	1625	Unch
Tamil Nadu	Chennai	Mill Quality	2000	2000	Unch
	Madurai	Mill Quality	2057	2057	Unch
	Coimbatore	Mill Quality	2057	2057	Unch
Bihar	Khagariya	Mill Delivery	1700	1700	Unch
	Muzaffarpur	Mill Delivery	1625	1625	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	1780	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	1780	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			3-Apr-18	2-Apr-18	
Gujarat	Rajkot	Lokwan	1700	1700	Unch
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1800	1800	Unch
	Bina	Sarbati 306	2400	2400	Unch
Rajasthan	Kota	LokwanBilty	1820	1850	-30
	Baran	Lokwan	1775	1650	125

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			3-Apr-18	2-Apr-18	
Delhi	Lawrence Road	Mill Delivery	6500	6000	500
	Narella	Mill Quality Loose	200	300	-100
	Nazafgarh	Mill Quality Loose	50	50	Unch
Gujarat	Rajkot	Mill Quality Loose	9000	15000	-6000
	Dhrol	Mill Quality Loose	416	Closed	-
M.P.	Indore	Mill Quality Loose	2000	2500	-500
Rajasthan	Kota	Mill Quality	30000	17000	13000
U.P.	Kanpur	Mill Quality Loose	500	500	Unch
	Mathura	Mill Quality Loose	Closed	12000	-
	Kosi	Mill Quality Loose	8000	10000	-2000
	Hathras	Mill Quality Loose	NR	50	-
	Aligarh	Mill Quality Loose	800	600	200
Punjab	Khanna	Mill Quality Loose	500	Closed	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	Closed	-
Haryana	Sirsa	Mill Quality Loose	100	100	Unch
	Hodal	Mill Quality Loose	100	100	Unch
	Bhiwani	Mill Quality Loose	2000	2000	Unch

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

Wheat Products Delhi	3-Apr-18	2-Apr-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	1980	1980	Unch
Chakki Atta (50kg) Superfine	1100	1100	Unch

Wheat (CBOT) Future Price:2.4.2018					
Contract Month	Open	High	Low	Close	Change
18-May	454.25	457.25	445.75	446.25	-4.75
18-Jul	473.00	474.00	463.00	463.50	-5.00
18-Sep	489.00	490.75	480.50	480.75	-4.50
18-Dec	510.00	511.75	501.50	502.00	-4.50
19-Mar	525.00	527.00	518.00	518.00	-4.25
19-May	534.75	536.25	527.25	527.25	-3.75

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