

Wheat Domestic Fundamentals:

Wheat prices are ruling below MSP of Rs 1735 per quintal due to fresh arrivals from central and north India. As of now average quality wheat in Gujarat is ruling around Rs 1550 per quintal and around Rs 1650 per quintal in M.P. and Maharashtra. Prices are likely to remain under pressure until arrival is finished.

Government agencies have started procurement since 15th March'18. Until 04th April'18 government has procured around 7.87 lakh tonnes of wheat. Of the total quantity procured, around 6.96 lakh tonnes have been procured from Madhya Pradesh, 0.06 lakh tonnes from Gujarat, 0.60 lakh tonnes from Haryana and 0.25 in Rajasthan. In Rabi marketing season 2018-19 government has set procurement target of 32 MMT.

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.

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 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:

Algeria state grains agency OAIC has bought around 330000 tonnes of milling wheat in a tender that closed on Tuesday. The price paid was around \$229.00 per tonne (Cost and Freight). The quantity to be shipped is due in June. The milling wheat can be sourced from various origins but most of it is likely to be purchased from France.

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: 04.04.2018 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 | -3 | 1675 | 1685 | 1675 | 1676 | 540 | 340 | 2360 | 60 |
| 18-May | 5 | 1702 | 1705 | 1701 | 1705 | 160 | 130 | 310 | 50 |
| 18-Jun | 0 | 1723 | 1723 | 1723 | 1723 | 0 | 0 | 0 | 0 |

| Spread | Apr-18 | May-18 | June-18 | |
|-------------|--------|--------|---------|--|
| Spot Narela | | | | |
| 18-Apr | -24 | | | |
| 18-May | | 29 | | |
| 18-June | | | 18 | |

| Stocks | Demat | In- Process | Total | FED |
|--------|----------|-------------|----------|----------|
| | 3.Apr.18 | 3.Apr.18 | 3.Apr.18 | 2.Apr.18 |
| Delhi | - | - | - | - |
| Itarsi | - | - | - | - |
| Kanpur | - | - | - | - |
| Kota | 5074 | 0 | 5074 | 5074 |
| Rajkot | - | - | - | - |

Wheat Daily Prices and Arrivals on 04.04.2018

| Centre | Market | Variety | Prices (Rs/Qtl) | | Change |
|-----------|--------------------|---------------------|-----------------|----------|--------|
| | | | 4-Apr-18 | 3-Apr-18 | |
| Delhi | Lawrence Road | Mill Delivery | 1770 | 1755 | 15 |
| | Narella | Mill Quality Loose | Closed | 1700 | - |
| | Nazafgarh | Mill Quality Loose | Closed | 1670 | - |
| Gujarat | Rajkot | Mill Delivery | 1535 | 1505 | 30 |
| | Ahmedabad | Mill Delivery | 1725 | 1725 | Unch |
| | Surat | Mill Delivery | 1750 | 1750 | Unch |
| | Dhrol | Mill Quality Loose | 1710 | 2025 | -315 |
| M.P. | Indore | Mill Delivery | 1675 | 1675 | Unch |
| | Bhopal | Mill Quality Loose | 1650 | 1650 | Unch |
| Rajasthan | Kota | Mill Quality Loose | 1525 | 1525 | Unch |
| | | Mill Delivery | 1605 | 1605 | Unch |
| U.P. | Kanpur | Mill Delivery | 1710 | 1715 | -5 |
| | Mathura | Mill Quality Loose | Closed | Closed | - |
| | Kosi | Mill Quality Loose | 1620 | 1605 | 15 |
| | Hathras | Mill Quality Loose | 1620 | NR | - |
| | Aligarh | Mill Quality Loose | Closed | 1600 | - |
| Punjab | Khanna | Mill Quality Loose | 1735 | 1730 | 5 |
| | Ludhiana (Jagraon) | Mill Delivery | NA | NA | - |
| Haryana | Sirsa | Mill Delivery loose | 1710 | 1715 | -5 |
| | Hodal | Mill Delivery | NA | 1700 | - |

| | | | | | |
|------------|-------------------------------|--------------------|------|------|------|
| | 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 | 1550 | 1700 | -150 |
| | Muzaffarpur | Mill Delivery | 1575 | 1625 | -50 |
| FOR | Kandla (Rajasthan-Rajkot) | Mill Quality | 1780 | 1780 | Unch |
| | Gandhidham (Rajasthan-Rajkot) | Mill Quality | 1780 | 1780 | Unch |

| Centre | Market | Variety | Prices (Rs/Qtl) | | Change |
|-----------|--------|-------------|-----------------|----------|--------|
| | | | 4-Apr-18 | 3-Apr-18 | |
| Gujarat | Rajkot | Lokwan | 1700 | 1700 | Unch |
| M.P. | Indore | Lokwan | 2000 | 2000 | Unch |
| | Bhopal | Lokwan | 1800 | 1800 | Unch |
| | Bina | Sarbati 306 | Closed | 2400 | - |
| Rajasthan | Kota | LokwanBilty | 1820 | 1820 | Unch |
| | Baran | Lokwan | 1775 | 1630 | 145 |

Wheat Arrivals in Key Centers:

| Centre | Market | Variety | Arrivals (Bags/Qtl) | | Change |
|-----------|-------------------|--------------------|---------------------|----------|--------|
| | | | 4-Apr-18 | 3-Apr-18 | |
| Delhi | Lawrence Road | Mill Delivery | 9000 | 6500 | 2500 |
| | Narella | Mill Quality Loose | Closed | 200 | - |
| | Nazafgarh | Mill Quality Loose | Closed | 50 | - |
| Gujarat | Rajkot | Mill Quality Loose | 15000 | 9000 | 6000 |
| | Dhrol | Mill Quality Loose | 365 | 416 | -51 |
| M.P. | Indore | Mill Quality Loose | 2000 | 2000 | Unch |
| Rajasthan | Kota | Mill Quality | 30000 | 30000 | Unch |
| U.P. | Kanpur | Mill Quality Loose | 400 | 500 | -100 |
| | Mathura | Mill Quality Loose | Closed | Closed | - |
| | Kosi | Mill Quality Loose | 10000 | 8000 | 2000 |
| | Hathras | Mill Quality Loose | 400 | NR | - |
| | Aligarh | Mill Quality Loose | Closed | 800 | - |
| Punjab | Khanna | Mill Quality Loose | 1000 | 500 | 500 |
| | (Ludhiana)Jagraon | Mill Quality Loose | NA | NA | - |
| Haryana | Sirsa | Mill Quality Loose | 100 | 100 | Unch |
| | Hodal | Mill Quality Loose | 70 | 100 | -30 |
| | Bhiwani | Mill Quality Loose | 1800 | 2000 | -200 |

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

| Wheat Products Delhi | 4-Apr-18 | 3-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:3.4.2018 | | | | | |
|------------------------------------|--------|--------|--------|--------|--------|
| Contract Month | Open | High | Low | Close | Change |
| 18-May | 448.50 | 463.50 | 448.25 | 457.50 | 11.25 |
| 18-Jul | 465.50 | 480.25 | 465.50 | 474.00 | 10.50 |
| 18-Sep | 482.00 | 496.50 | 482.00 | 490.75 | 10.00 |
| 18-Dec | 505.50 | 517.75 | 504.50 | 512.50 | 10.50 |
| 19-Mar | 521.50 | 533.25 | 520.75 | 528.25 | 10.25 |
| 19-May | 529.50 | 540.50 | 529.25 | 537.50 | 10.25 |

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