

Wheat Domestic Fundamentals:

All India average monthly prices for wheat decreased by 1.33 percent from Rs 1797.65 (in February -2018) to Rs 1773.66 per qtl in March-2018. Average price (March) is lower by 0.66 percent compared to price (Rs 1762.00 per qtl.) registered in March -2017. Prices are expected to remain steady to weak in coming month due to increasing arrival pressure from central and north India.

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.

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:

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 \$207.00-211.00/tonne whereas milling wheat with 11.5% protein content is being quoted at FoB \$202.00-205.00/tonne.

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

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

Wheat Futures Contract: NCDEX Price							Date: 06.04.2018 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	1686	1675	1677	680	660	2210	-130
18-May	-9	1684	1705	1684	1705	120	90	420	80
18-Jun	0	1748	1748	1748	1748	0	0	0	0

Spread	Apr-18	May-18	June-18	
Spot Narela				
18-Apr	-63			
18-May		28		
18-June			-43	

Stocks	Demat	In- Process	Total	FED
	5.Apr.18	5.Apr.18	5.Apr.18	2.Apr.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	0	49	49	5074
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 06.04.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			6-Apr-18	5-Apr-18	
Delhi	Lawrence Road	Mill Delivery	1780	1780	Unch
	Narella	Mill Quality Loose	1740	1770	-30
	Nazafgarh	Mill Quality Loose	1650	1650	Unch
Gujarat	Rajkot	Mill Delivery	1525	1525	Unch
	Ahmedabad	Mill Delivery	1700	1700	Unch
	Surat	Mill Delivery	1740	1740	Unch
	Dhrol	Mill Quality Loose	1900	1705	195
M.P.	Indore	Mill Delivery	1650	1650	Unch
	Bhopal	Mill Quality Loose	1600	1600	Unch
Rajasthan	Kota	Mill Quality Loose	1540	1540	Unch
		Mill Delivery	1650	1650	Unch
U.P.	Kanpur	Mill Delivery	1715	1715	Unch
	Mathura	Mill Quality Loose	1610	1600	10
	Kosi	Mill Quality Loose	1595	1605	-10
	Hathras	Mill Quality Loose	1610	1645	-35
	Aligarh	Mill Quality Loose	1610	1610	Unch
Punjab	Khanna	Mill Quality Loose	1735	1735	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1715	1715	Unch
	Hodal	Mill Delivery	NA	NA	-

	Bhiwani	Mill Quality Loose	1700	1700	Unch
	Karnal	Mill Delivery	1720	1720	Unch
	Panipat	Mill Quality Loose	1735	1735	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	1550	Unch
	Muzaffarpur	Mill Delivery	1575	1575	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	1760	1750	10
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	1760	1750	10

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			6-Apr-18	5-Apr-18	
Gujarat	Rajkot	Lokwan	1750	1750	Unch
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1900	1900	Unch
	Bina	Sarbati 306	2300	2300	Unch
Rajasthan	Kota	LokwanBilty	1840	1840	Unch
	Baran	Lokwan	1750	Closed	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			6-Apr-18	5-Apr-18	
Delhi	Lawrence Road	Mill Delivery	4000	8000	-4000
	Narella	Mill Quality Loose	200	300	-100
	Nazafgarh	Mill Quality Loose	1000	1000	Unch
Gujarat	Rajkot	Mill Quality Loose	12000	8000	4000
	Dhrol	Mill Quality Loose	288	368	-80
M.P.	Indore	Mill Quality Loose	3000	5000	-2000
Rajasthan	Kota	Mill Quality	20000	25000	-5000
U.P.	Kanpur	Mill Quality Loose	500	500	Unch
	Mathura	Mill Quality Loose	15000	15000	Unch
	Kosi	Mill Quality Loose	8000	6000	2000
	Hathras	Mill Quality Loose	200	450	-250
	Aligarh	Mill Quality Loose	2000	500	1500
Punjab	Khanna	Mill Quality Loose	500	500	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	400	-200
	Hodal	Mill Quality Loose	70	70	Unch
	Bhiwani	Mill Quality Loose	2000	2000	Unch

	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	300	450	-150

Wheat Products Delhi	6-Apr-18	5-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:5.4.2018					
Contract Month	Open	High	Low	Close	Change
18-May	458.00	466.00	456.50	464.75	9.00
18-Jul	475.50	482.50	473.75	481.25	8.25
18-Sep	492.50	499.00	490.75	498.00	8.00
18-Dec	514.00	521.00	513.00	520.25	8.00
19-Mar	531.00	537.50	530.75	537.25	8.25
19-May	541.75	546.50	541.50	546.50	8.25

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