

Wheat Domestic Fundamentals:

Indian FoB quote is hovering around \$257.48 per tonne. Against it Russia, Ukraine, France, US and Australia are offering wheat at \$206.30, \$210.70, Euro 159.25, \$213.68 and \$221.60 per tonne respectively. There is little hope for recovery at export front this year. However, India is expected to import 1.5 million tonnes in MY 2018-19. Global FoB quotes have become firm due to lower projected production and decrease in carryover stocks.

Government agencies have started procurement since 15th March'18. Until 27th April'18 government has procured around 245.42 lakh tonnes of wheat. Of the total quantity procured, around 102.55 lakh tonnes have been procured from Punjab, 75.98 lakh tonnes from Haryana, 14.85 lakh tonnes from Uttar Pradesh, 43.22 lakh tonnes have been procured from Madhya Pradesh, 8.20 in Rajasthan, 0.24 lakh tonnes from Uttarakhand, 0.12 lakh tonnes from Chandigarh and 0.26 lakh tonnes from Gujarat. In Rabi marketing season 2018-19 government has set procurement target of 32 MMT. Government can easily achieve its procurement target this year.

As per latest update, until 26th April Traders and five government agencies have purchased a total of 71.92 lakh tonnes of wheat. Of the total quantity procured by government agencies around 21.27 lakh tonnes has been procured by food, civil supplies and consumer affairs department, 28.50 lakh tonnes by HAFED, 8.95 lakh tonnes by FCI and 13.18 lakh tonnes by Haryana warehousing corporation. Sirsa district has recorded highest arrival in the state, where 8.69 lakh tonnes of wheat has been procured.

As per latest update, wheat stock in central pool as on 1st April'18 stood at 132.31 lakh tonnes down by 12.70% compared to last month. This quantity is higher by around 64.18% compared to last year for the same month. For the month of March'18 off take from central pool was around 19.24 lakh tonnes compared to 13.70 lakh tonnes for March'17 and 23.27 lakh tonnes for March'16. FCI has additional 51.72 lakh tonnes of stock as on 01st April'18 compared to last year for the same month.

As per trade sources, import quotes for wheat from various origins to Tuticorin port, witnessed weak tone in the week. Traders are not quoting prices for APW due to lower availability. As of now Tuticorin port price ASW at Rs 1900-1910 per quintal and Ukrainian wheat at Rs 1795-1800 per quintal. Ample availability in the market is keeping global wheat prices under pressure.

As per trade source, India has imported around 30780.34 tonne wheat from Australia in the month of February at an average CIF of \$256.50 per tonne. The entire quantity has been imported at Tuticorin port. Furthermore, no wheat has been imported in the month of March due to expectation of good crop.

As per trade source, India has exported around 1.84 thousand tonnes in the month of March compared to 1.82 thousand tonnes in February. The quantity in March was exported at an average FOB of \$ 369.51 per tonne and the major destinations were UAE, UK, Sri Lanka and Somalia. Exports are likely to be at lower side as other countries are able to provide quality wheat at competitive 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.

International Market Update:

Algeria state grains agency OAIC has bought around 420000 tonnes of milling wheat in a tender that closed on Thursday. The prices paid were in the range of \$224-225 per tonne (Cost and Freight). Origin of wheat is likely to be French. The country does not disclose the results of its tenders and purchase reports are based on trade assessments.

Russian milling wheat prices remained steady to weak by \$0-1 per tonne compared to last week. Traders are focusing on new crop trading as grain season is coming to an end. 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 \$210.00-216.00/tonne whereas milling wheat with 12.5% protein content at Odessa is being quoted at FoB \$210.00-213.00/tonne.

As per latest update, Russia's winter wheat growth has been delayed by two to three weeks due to cold weather in central areas and Volga valley. IKAR is expecting a production of 72-78 MMT down by around 9% compared to last year. India fulfils its import requirement of wheat from Black sea and Australia. Lower production in black sea region along with good demand from importing countries may lead to increase in prices.

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

| Wheat Futures Contract: NCDEX Price | | | | | | | Date: 27.04.2018 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-May | -10 | 1710 | 1722 | 1680 | 1717 | 1070 | 610 | 2890 | 280 |
| 18-Jun | -3 | 1711 | 1734 | 1711 | 1728 | 120 | 30 | 190 | 30 |
| 18-Jul | - | - | - | - | - | - | - | - | - |

| Spread | May-18 | June-18 | July-18 | |
|-------------|--------|---------|---------|--|
| Spot Narela | | | | |
| 18-May | 52 | | | |
| 18-June | | 11 | | |
| 18-July | | | - | |

| Stocks | Demat | In- Process | Total | FED |
|--------|-----------|-------------|-----------|-----------|
| | 27.Apr.18 | 27.Apr.18 | 27.Apr.18 | 23.Apr.18 |
| Delhi | - | - | - | - |
| Itarsi | - | - | - | - |
| Kanpur | - | - | - | - |
| Kota | 3504 | 40 | 3544 | 3504 |
| Baran | 30 | 0 | 30 | - |

Wheat Daily Prices and Arrivals on 28.04.2018

| Centre | Market | Variety | Prices (Rs/Qtl) | | Change |
|-----------|--------------------|---------------------|-----------------|-----------|--------|
| | | | 28-Apr-18 | 27-Apr-18 | |
| Delhi | Lawrence Road | Mill Delivery | 1745 | 1750 | -5 |
| | Narella | Mill Quality Loose | 1665 | 1660 | 5 |
| | Nazafgarh | Mill Quality Loose | 1655 | 1655 | Unch |
| Gujarat | Rajkot | Mill Delivery | 1610 | 1610 | Unch |
| | Ahmedabad | Mill Delivery | 1740 | 1740 | Unch |
| | Surat | Mill Delivery | 1790 | 1790 | Unch |
| | Dhrol | Mill Quality Loose | 1580 | 1760 | -180 |
| M.P. | Indore | Mill Delivery | 1700 | 1700 | Unch |
| | Bhopal | Mill Quality Loose | 1650 | 1650 | Unch |
| Rajasthan | Kota | Mill Quality Loose | 1640 | 1600 | 40 |
| | | Mill Delivery | 1750 | 1730 | 20 |
| U.P. | Kanpur | Mill Delivery | 1715 | 1715 | Unch |
| | Mathura | Mill Quality Loose | 1570 | 1565 | 5 |
| | Kosi | Mill Quality Loose | 1575 | 1575 | Unch |
| | Hathras | Mill Quality Loose | NR | NR | - |
| | Aligarh | Mill Quality Loose | 1580 | 1580 | Unch |
| Punjab | Khanna | Mill Quality Loose | 1735 | 1735 | Unch |
| | Ludhiana (Jagraon) | Mill Delivery | 1760 | 1760 | Unch |
| Haryana | Sirsa | Mill Delivery loose | 1735 | 1735 | Unch |
| | Hodal | Mill Delivery | 1750 | 1750 | Unch |

| | | | | | |
|------------|-------------------------------|--------------------|------|------|------|
| | Bhiwani | Mill Quality Loose | 1725 | 1725 | Unch |
| | Karnal | Mill Delivery | NA | NA | - |
| | Panipat | Mill Quality Loose | 1735 | 1735 | Unch |
| Tamil Nadu | Chennai | Mill Quality | 2050 | 2050 | Unch |
| | Madurai | Mill Quality | 2107 | 2107 | Unch |
| | Coimbatore | Mill Quality | 2107 | 2107 | Unch |
| Bihar | Khagariya | Mill Delivery | 1575 | 1550 | 25 |
| | Muzaffarpur | Mill Delivery | 1600 | 1600 | Unch |
| FOR | Kandla (Rajasthan-Rajkot) | Mill Quality | 1760 | 1760 | Unch |
| | Gandhidham (Rajasthan-Rajkot) | Mill Quality | 1760 | 1760 | Unch |

| Centre | Market | Variety | Prices (Rs/Qtl) | | Change |
|-----------|--------|-------------|-----------------|-----------|--------|
| | | | 28-Apr-18 | 27-Apr-18 | |
| Gujarat | Rajkot | Lokwan | 1800 | 1800 | Unch |
| M.P. | Indore | Lokwan | 2000 | 2000 | Unch |
| | Bhopal | Lokwan | 1900 | 1900 | Unch |
| | Bina | Sarbati 306 | 2350 | 2350 | Unch |
| Rajasthan | Kota | LokwanBilty | 1850 | 1800 | 50 |
| | Baran | Lokwan | 1800 | 1785 | 15 |

Wheat Arrivals in Key Centers:

| Centre | Market | Variety | Arrivals (Bags/Qtl) | | Change |
|-----------|-------------------|--------------------|---------------------|-----------|--------|
| | | | 28-Apr-18 | 27-Apr-18 | |
| Delhi | Lawrence Road | Mill Delivery | 10000 | 10000 | Unch |
| | Narella | Mill Quality Loose | 600 | 500 | 100 |
| | Nazafgarh | Mill Quality Loose | 500 | 800 | -300 |
| Gujarat | Rajkot | Mill Quality Loose | 2500 | 3000 | -500 |
| | Dhrol | Mill Quality Loose | 59 | 84 | -25 |
| M.P. | Indore | Mill Quality Loose | 2000 | 2500 | -500 |
| Rajasthan | Kota | Mill Quality | 15000 | 20000 | -5000 |
| U.P. | Kanpur | Mill Quality Loose | 500 | 400 | 100 |
| | Mathura | Mill Quality Loose | 2500 | 3000 | -500 |
| | Kosi | Mill Quality Loose | 2000 | 2500 | -500 |
| | Hathras | Mill Quality Loose | NR | NR | - |
| | Aligarh | Mill Quality Loose | 1500 | 1500 | Unch |
| Punjab | Khanna | Mill Quality Loose | 45000 | 40000 | 5000 |
| | (Ludhiana)Jagraon | Mill Quality Loose | 10000 | 10000 | Unch |
| Haryana | Sirsa | Mill Quality Loose | 12000 | 12000 | Unch |
| | Hodal | Mill Quality Loose | 1500 | 1500 | Unch |
| | Bhiwani | Mill Quality Loose | 3000 | 3000 | Unch |

| | | | | | |
|--|---------|--------------------|-------|-------|------|
| | Karnal | Mill Delivery | 20000 | 20000 | Unch |
| | Panipat | Mill Quality Loose | 20000 | 20000 | Unch |

| Wheat Products Delhi | 28-Apr-18 | 27-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:27.4.2018 | | | | | |
|-------------------------------------|--------|--------|--------|--------|--------|
| Contract Month | Open | High | Low | Close | Change |
| 18-May | 484.00 | 495.75 | 480.25 | 495.50 | 14.75 |
| 18-Jul | 493.25 | 499.00 | 488.75 | 498.50 | 9.00 |
| 18-Sep | 508.50 | 516.00 | 506.00 | 515.50 | 8.75 |
| 18-Dec | 531.25 | 538.00 | 529.00 | 537.75 | 8.25 |
| 19-Mar | 550.50 | 555.25 | 546.75 | 555.00 | 7.75 |
| 19-May | 557.75 | 564.00 | 556.00 | 563.25 | 7.50 |

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