

Wheat Domestic Fundamentals:

As per latest update, rains in Punjab yesterday left wheat bags drenched in grain market. However such rain is only harmful when it leads to water logging and wheat bags remain wet. Traders said water cleared out after rain stopped and sunny weather the following day helped in drying the drenched bags.

As per latest update, Punjab has procured around 11564899 tonnes of wheat until 30th April. Of this quantity, government has procured 11523341 tonnes and millers have procured 41558 tonnes. PUNGRAIN had procured 2662006 MT, MARKFED had procured 2557011 MT, PUNSUP had procured 2238988 MT, Warehouse Corporation had procured 1586044 MT, Punjab Agro had procured 1151689 MT and FCI had procured 1327603 MT of wheat. Around 2LMT of wheat is arriving everyday in Punjab Mandis. Progressive procurement is also higher by around 4.9% compared to last year. Punjab government can easily achieve or even surpass its procurement target.

Government agencies have started procurement since 15th March'18. Until 01st May'18 government has procured around 270.40 lakh tonnes of wheat. Of the total quantity procured, around 115.24 lakh tonnes have been procured from Punjab, 79.96 lakh tonnes from Haryana, 17.23 lakh tonnes from Uttar Pradesh, 47.80 lakh tonnes have been procured from Madhya Pradesh, 9.46 in Rajasthan, 0.30 lakh tonnes from Uttarakhand, 0.14 lakh tonnes from Chandigarh and 0.27 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 trade sources, import quotes for wheat from various origins to Tuticorin port, witnessed firm tone in the week. Traders are not quoting prices for APW due to lower availability. As of now Tuticorin port price ASW at Rs 1930-1940 per quintal and Ukrainian wheat at Rs 1795-1805 per quintal. Ample availability in the market is keeping global wheat prices under pressure.

All India weekly average prices increased by 1.47 percent to Rs. 1873.09 per quintal during the week ended 30th April 2018. Wheat average price were ruling at Rs 1845.93 per quintal during 16-23 April 2018. As compared to prices in the week 24-30 April 2017, the prices are weak by 4.92 percent. Prices are expected to remain steady to weak in coming days due to arrival 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:

A flour mill in Indonesia has bought around 60000 tonnes of wheat at \$220-222 per tonne from black sea due for shipment in August. Indonesia usually imports from Australia. However as prices are ruling higher, black sea is taking advantage of this situation and capturing market share of Australia by providing the required quantity at lower prices.

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.

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

Wheat Futures Contract: NCDEX Price							Date: 03.05.2018 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	+9	1712	1724	1715	1724	550	420	2760	-220
18-Jun	+22	1731	1748	1732	1748	650	580	760	430
18-Jul	-	-	-	-	-	-	-	-	-

Spread	May-18	June-18	July-18	
Spot Narela				
18-May	54			
18-June		24		
18-July			-	

Stocks	Demat	In- Process	Total	FED
	2.May.18	2.May.18	2.May.18	01.May.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	3504	40	3544	3504
Baran	30	0	30	30

Wheat Daily Prices and Arrivals on 03.05.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			3-May-18	2-May-18	
Delhi	Lawrence Road	Mill Delivery	1740	1720	20
	Narella	Mill Quality Loose	1670	Closed	-
	Nazafgarh	Mill Quality Loose	1650	Closed	-
Gujarat	Rajkot	Mill Delivery	1600	1600	Unch
	Ahmedabad	Mill Delivery	1720	1720	Unch
	Surat	Mill Delivery	1780	1780	Unch
	Dhrol	Mill Quality Loose	1760	1600	160
M.P.	Indore	Mill Delivery	1700	1700	Unch
	Bhopal	Mill Quality Loose	1650	1650	Unch
Rajasthan	Kota	Mill Quality Loose	1630	1630	Unch
		Mill Delivery	1750	1750	Unch
U.P.	Kanpur	Mill Delivery	1725	1720	5
	Mathura	Mill Quality Loose	1565	1565	Unch
	Kosi	Mill Quality Loose	1580	1572	8
	Hathras	Mill Quality Loose	1660	1680	-20
	Aligarh	Mill Quality Loose	1585	Closed	-
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	1550	1550	Unch
	Muzaffarpur	Mill Delivery	1550	1550	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
			3-May-18	2-May-18	
Gujarat	Rajkot	Lokwan	1800	1800	Unch
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1900	1900	Unch
	Bina	Sarbati 306	2400	Closed	-
Rajasthan	Kota	LokwanBilty	1850	1850	Unch
	Baran	Lokwan	1800	1800	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			3-May-18	2-May-18	
Delhi	Lawrence Road	Mill Delivery	8000	8000	Unch
	Narella	Mill Quality Loose	800	Closed	-
	Nazafgarh	Mill Quality Loose	400	Closed	-
Gujarat	Rajkot	Mill Quality Loose	2500	2500	Unch
	Dhrol	Mill Quality Loose	122	63	59
M.P.	Indore	Mill Quality Loose	3000	3000	Unch
Rajasthan	Kota	Mill Quality	15000	15000	Unch
U.P.	Kanpur	Mill Quality Loose	400	500	-100
	Mathura	Mill Quality Loose	1500	1500	Unch
	Kosi	Mill Quality Loose	2000	3000	-1000
	Hathras	Mill Quality Loose	350	500	-150
	Aligarh	Mill Quality Loose	1000	Closed	-
Punjab	Khanna	Mill Quality Loose	30000	40000	-10000
	(Ludhiana)Jagraon	Mill Quality Loose	5000	5000	Unch
Haryana	Sirsa	Mill Quality Loose	2000	2000	Unch
	Hodal	Mill Quality Loose	1500	1500	Unch
	Bhiwani	Mill Quality Loose	2500	3000	-500

	Karnal	Mill Delivery	15000	15000	Unch
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	3-May-18	2-May-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:02.05.2018					
Contract Month	Open	High	Low	Close	Change
18-May	525.00	533.25	522.50	525.75	-4.00
18-Jul	529.00	534.50	521.00	526.75	-2.50
18-Sep	543.75	549.25	536.50	542.25	-1.75
18-Dec	563.00	569.50	557.50	562.75	-1.25
19-Mar	579.00	584.75	573.00	578.75	-0.25
19-May	583.00	591.25	579.75	586.00	1.25

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