

**Wheat Domestic Fundamentals:**

**Government agencies have started procurement since 15th March'18. Until 07<sup>th</sup> May'18 government has procured around 296.74 lakh tonnes of wheat.** Of the total quantity procured, around 121.59 lakh tonnes have been procured from Punjab, 84.19 lakh tonnes from Haryana, 24.15 lakh tonnes from Uttar Pradesh, 54.80 lakh tonnes have been procured from Madhya Pradesh, 11.09 in Rajasthan, 0.47 lakh tonnes from Uttarakhand, 0.14 lakh tonnes from Chandigarh and 0.31 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 1955-1965 per quintal and Ukrainian wheat at Rs 1805-1815 per quintal. Ample availability in the market is keeping global wheat prices under pressure.

**As per latest update, Punjab has procured around 121.64 LMT of wheat** until 05th May. PUNGRAIN had procured 2.80 LMT, MARKFED had procured 2.66 LMT, PUNSUP had procured 2.34 LMT, PSWC had procured 16.55 LMT, PAFC had procured 12.07 MT and FCI had procured 14.38 LMT of wheat. Highest procurement was reported in Sangrur district at 10.96 LMT.

**All India weekly average prices decreased by 2.94 percent to Rs. 1818.02 per quintal** during the week ended 08th May 2018. Wheat average price were ruling at Rs 1873.09 per quintal during 24-30 April 2018. As compared to prices in the week 01-08 May 2017, the prices are weak by 8.79 percent. Prices are expected to remain steady to firm in coming days due to decrease in arrival pressure and aberration in weather.

**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 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.

**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:**

**Russian milling wheat prices remained steady to weak by \$0-1 per tonne compared to last week.** Fluctuations in Russian currency and exhausting stocks have halted grain trading. 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 \$211.00-216.00/tonne whereas milling wheat with 12.5% protein content at Odessa is being quoted at FoB \$210.00-213.00/tonne.

**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.

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

Wheat Futures Contract: NCDEX Price							Date: 08.05.2018 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	-7	1755	1754	1748	1748	280	-1,110	1680	-150
18-Jun	-3	1774	1780	1770	1775	860	-1,320	3200	+590
18-Jul	-	-	-	-	-	-	-	-	-

Spread	May-18	June-18	July-18	
Spot Narela				
18-May	18			
18-June		27		
18-July			-	

Stocks	Demat	In- Process	Total	FED
	7.May.18	7.May.18	7.May.18	7.May.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	3544	0	3544	3543
Baran	30	0	30	30

## Wheat Daily Prices and Arrivals on 08.05.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			8-May-18	7-May-18	
Delhi	Lawrence Road	Mill Delivery	1755	1755	Unch
	Narella	Mill Quality Loose	1730	1725	5
	Nazafgarh	Mill Quality Loose	NA	1700	-
Gujarat	Rajkot	Mill Delivery	1620	1620	Unch
	Ahmedabad	Mill Delivery	1735	1735	Unch
	Surat	Mill Delivery	1780	1780	Unch
	Dhrol	Mill Quality Loose	NR	1855	-
M.P.	Indore	Mill Delivery	1700	1700	Unch
	Bhopal	Mill Quality Loose	1800	1800	Unch
Rajasthan	Kota	Mill Quality Loose	1640	1630	10
		Mill Delivery	1750	1700	50
U.P.	Kanpur	Mill Delivery	1725	1725	Unch
	Mathura	Mill Quality Loose	1550	1550	Unch
	Kosi	Mill Quality Loose	1570	1610	-40
	Hathras	Mill Quality Loose	1640	1640	Unch
	Aligarh	Mill Quality Loose	1590	1600	-10
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	1740	1740	Unch

	Bhiwani	Mill Quality Loose	1725	1730	-5
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	1735	1735	Unch
Tamil Nadu	Chennai	Mill Quality	2050	2040	10
	Madurai	Mill Quality	2107	2097	10
	Coimbatore	Mill Quality	2107	2097	10
Bihar	Khagariya	Mill Delivery	1550	1550	Unch
	Muzaffarpur	Mill Delivery	1550	1550	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	1770	1770	Unch
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	1770	1770	Unch

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			8-May-18	7-May-18	
Gujarat	Rajkot	Lokwan	1800	1800	Unch
M.P.	Indore	Lokwan	2100	2000	100
	Bhopal	Lokwan	2000	2000	Unch
	Bina	Sarbati 306	2400	Closed	-
Rajasthan	Kota	LokwanBilty	1800	1800	Unch
	Baran	Lokwan	1850	1825	25

## Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			8-May-18	7-May-18	
Delhi	Lawrence Road	Mill Delivery	5000	10000	-5000
	Narella	Mill Quality Loose	600	800	-200
	Nazafgarh	Mill Quality Loose	NA	200	-
Gujarat	Rajkot	Mill Quality Loose	1500	2000	-500
	Dhrol	Mill Quality Loose	NR	66	-
M.P.	Indore	Mill Quality Loose	2000	3000	-1000
Rajasthan	Kota	Mill Quality	25000	20000	5000
U.P.	Kanpur	Mill Quality Loose	500	500	Unch
	Mathura	Mill Quality Loose	3000	3000	Unch
	Kosi	Mill Quality Loose	2000	5000	-3000
	Hathras	Mill Quality Loose	300	350	-50
	Aligarh	Mill Quality Loose	2000	2500	-500
Punjab	Khanna	Mill Quality Loose	22000	22000	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	2000	2000	Unch
Haryana	Sirsa	Mill Quality Loose	1000	2000	-1000
	Hodal	Mill Quality Loose	500	500	Unch
	Bhiwani	Mill Quality Loose	2000	2000	Unch



	Karnal	Mill Delivery	5000	5000	Unch
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	8-May-18	7-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:8.5.2018					
Contract Month	Open	High	Low	Close	Change
18-May	515.00	515.00	514.00	514.00	-13.50
18-Jul	522.25	524.00	510.50	511.50	-14.75
18-Sep	538.00	540.00	527.50	528.75	-13.00
18-Dec	559.00	561.25	549.75	550.75	-12.25
19-Mar	574.75	577.75	567.25	569.25	-10.00
19-May	583.50	584.50	575.25	578.00	-9.00

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