

Wheat Domestic Fundamentals:

As per latest update, until 10th May Traders and five government agencies have purchased a total of 85.04 lakh tonnes of wheat. Of the total quantity procured by government agencies around 25.49 lakh tonnes has been procured by food, civil supplies and consumer affairs department, 34.02 lakh tonnes by HAFED, 10.45 lakh tonnes by FCI and 15.05 lakh tonnes by Haryana warehousing corporation. Sirsa district has recorded highest arrival in the state, where 9.03 lakh tonnes of wheat has been procured. Private trade has purchased 884 metric tonnes.

As per latest update, U.S. has said in a statement that India is supporting its rice and wheat farmers by paying them higher amounts than it has reported to WTO as market price support (MPS). The statement also says that MPS for wheat and rice is over 60% and 70% higher respectively. India's commitment to WTO allows India to subsidize not more than 10% of total value of crop production.

Government agencies have started procurement since 15th March'18. Until 07th 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.

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.

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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:

As per latest update, china has sold 310297 tonnes of wheat for average price of 2399 yuan (\$376.51) per tonne at an auction of state reserves on Wednesday. The quantity sold represents around 14.9 percent of wheat available at auction.

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.

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

Wheat Futures Contract: NCDEX Price							Date: 10.05.2018 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	1748	1754	1730	1754	1130	1,040	1240	-410
18-Jun	-3	1779	1778	1766	1775	1500	200	4480	760
18-Jul	-	-	-	-	-	-	-	-	-

Spread	May-18	June-18	July-18	
Spot Narela				
18-May	24			
18-June		21		
18-July			-	

Stocks	Demat	In- Process	Total	FED
	9.May.18	9.May.18	9.May.18	7.May.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	3591	51	3642	3543
Baran	30	0	30	30

Wheat Daily Prices and Arrivals on 10.05.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			10-May-18	9-May-18	
Delhi	Lawrence Road	Mill Delivery	1770	1755	15
	Narella	Mill Quality Loose	1730	Closed	-
	Nazafgarh	Mill Quality Loose	1680	Closed	-
Gujarat	Rajkot	Mill Delivery	1630	1625	5
	Ahmedabad	Mill Delivery	1760	1750	10
	Surat	Mill Delivery	1800	1800	Unch
	Dhrol	Mill Quality Loose	1615	1655	-40
M.P.	Indore	Mill Delivery	1700	1700	Unch
	Bhopal	Mill Quality Loose	1800	2000	-200
Rajasthan	Kota	Mill Quality Loose	1640	1640	Unch
		Mill Delivery	1750	1750	Unch
U.P.	Kanpur	Mill Delivery	1700	1720	-20
	Mathura	Mill Quality Loose	1620	1600	20
	Kosi	Mill Quality Loose	1610	1575	35
	Hathras	Mill Quality Loose	1630	1680	-50
	Aligarh	Mill Quality Loose	1600	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	NR	1740	-



	Bhiwani	Mill Quality Loose	1710	1730	-20
	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	1500	1500	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	1770	1775	-5
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	1770	1775	-5

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			10-May-18	9-May-18	
Gujarat	Rajkot	Lokwan	1850	1825	25
M.P.	Indore	Lokwan	2100	2100	Unch
	Bhopal	Lokwan	1900	1800	100
	Bina	Sarbati 306	Closed	Closed	-
Rajasthan	Kota	LokwanBilty	1850	1850	Unch
	Baran	Lokwan	1800	1800	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			10-May-18	9-May-18	
Delhi	Lawrence Road	Mill Delivery	8000	8000	Unch
	Narella	Mill Quality Loose	750	Closed	-
	Nazafgarh	Mill Quality Loose	150	Closed	-
Gujarat	Rajkot	Mill Quality Loose	1600	1500	100
	Dhrol	Mill Quality Loose	66	115	-49
M.P.	Indore	Mill Quality Loose	1500	2000	-500
Rajasthan	Kota	Mill Quality	20000	25000	-5000
U.P.	Kanpur	Mill Quality Loose	400	400	Unch
	Mathura	Mill Quality Loose	2200	2800	-600
	Kosi	Mill Quality Loose	1500	1000	500
	Hathras	Mill Quality Loose	200	350	-150
	Aligarh	Mill Quality Loose	2500	Closed	-
Punjab	Khanna	Mill Quality Loose	18000	20000	-2000
	(Ludhiana)Jagraon	Mill Quality Loose	2000	2000	Unch
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	NR	1000	-
	Bhiwani	Mill Quality Loose	600	1000	-400

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

Wheat Products Delhi	10-May-18	9-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:09.5.2018					
Contract Month	Open	High	Low	Close	Change
18-May	508.00	514.50	508.00	514.50	-3.25
18-Jul	515.50	515.75	506.25	510.50	-4.00
18-Sep	532.00	532.00	523.50	527.25	-4.25
18-Dec	553.00	553.00	545.50	548.75	-4.25
19-Mar	572.00	572.00	564.50	567.75	-3.75
19-May	577.00	580.00	573.25	577.00	-3.50

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