

**Wheat Domestic Fundamentals:**

**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 2000 per quintal and Ukrainian wheat at Rs 1860 per quintal. Ample availability in the market is keeping global wheat prices under pressure.

**All India weekly average prices increased by 0.26 percent to Rs. 1822.82 per quintal during the week ended 15th May 2018.** Wheat average price were ruling at Rs 1818.02 per quintal during 01-08 May 2018. As compared to prices in the week 09-15 May 2017, the prices are weak by 8.30 percent. Prices are expected to remain steady to firm in coming days due to decrease in arrivals.

**As per latest update, until 10th May Traders and five government agencies have purchased a total of 87.04 lakh tonnes of wheat.** Of the total quantity procured by government agencies around 26.09 lakh tonnes has been procured by food, civil supplies and consumer affairs department, 35.10 lakh tonnes by HAFED, 10.52 lakh tonnes by FCI and 15.32 lakh tonnes by Haryana warehousing corporation. Sirsa district has recorded highest arrival in the state, where 12.03 lakh tonnes of wheat has been procured.

**There is a rumor in the market** that government may increase import duty from 20 percent to 30 or 40 percent in order to put a complete halt on imports and increase off take of domestic wheat.

**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.

**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, Moroccan government has decided to give subsidy to wheat millers for using locally harvested wheat.** The subsidy would be 10 dirham's per 100kg of soft wheat. The government has also raised its import duty to 135 percent from 30 percent to reduce imports. Morocco imported around 4.2 MMT of soft wheat and 8.5 LMT of durum wheat.

**Russian milling wheat prices remained weak by \$1 per tonne compared to last week.** Export prices eased due to strong ruble. Russia is expected to produce around 74 MMT of wheat in 2018-19. As of now Russian milling wheat with 12.5% protein content at Novorossiysk port is being quoted at FoB \$210.00-215.00/tonne whereas milling wheat whereas wheat with 12.5% protein content at Odessa is being quoted at FoB \$210.00-213.00/tonne.

**As per latest update, Japan's ministry of agriculture bought 95740 MMT of food quality wheat from United States and Australia.** Around 61380 MMT has been bought from United States and around 34360 MMT of standard wheat has been bought from Australia. Shipments from United States will be loaded between June 21 and July 20, 2018 whereas Shipments from United States will be loaded between July 01 and July 31.

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

Wheat Futures Contract: NCDEX Price							Date: 14.05.2018 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	+13	1761	1775	1768	1774	90	-440	1270	0
18-Jun	+9	1781	1800	1781	1800	440	-1,610	5530	90
18-Jul	-	-	-	-	-	-	-	-	-

Spread	May-18	June-18	July-18	
Spot Narela				
18-May	38			
18-June		26		
18-July			-	

Stocks	Demat	In- Process	Total	FED
	12.May.18	12.May.18	12.May.18	7.May.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	3591	100	3691	3543
Baran	30	0	30	30

## Wheat Daily Prices and Arrivals on 14.05.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			14-May-18	12-May-18	
Delhi	Lawrence Road	Mill Delivery	1765	1775	-10
	Narella	Mill Quality Loose	1735	1740	-5
	Nazafgarh	Mill Quality Loose	1700	1720	-20
Gujarat	Rajkot	Mill Delivery	1635	1635	Unch
	Ahmedabad	Mill Delivery	1770	1770	Unch
	Surat	Mill Delivery	1820	1820	Unch
	Dhrol	Mill Quality Loose	1645	1685	-40
M.P.	Indore	Mill Delivery	1750	1675	75
	Bhopal	Mill Quality Loose	1775	1775	Unch
Rajasthan	Kota	Mill Quality Loose	1650	1650	Unch
		Mill Delivery	1750	1750	Unch
U.P.	Kanpur	Mill Delivery	1715	1725	-10
	Mathura	Mill Quality Loose	1570	1570	Unch
	Kosi	Mill Quality Loose	1625	1600	25
	Hathras	Mill Quality Loose	1610	1640	-30
	Aligarh	Mill Quality Loose	1610	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	1750	1750	Unch

	Bhiwani	Mill Quality Loose	1710	1725	<b>-15</b>
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	1735	1735	<b>Unch</b>
<b>Tamil Nadu</b>	Chennai	Mill Quality	2100	2100	<b>Unch</b>
	Madurai	Mill Quality	2157	2157	<b>Unch</b>
	Coimbatore	Mill Quality	2157	2157	<b>Unch</b>
<b>Bihar</b>	Khagariya	Mill Delivery	1550	1550	<b>Unch</b>
	Muzaffarpur	Mill Delivery	1500	1500	<b>Unch</b>
<b>FOR</b>	Kandla (Rajasthan-Rajkot)	Mill Quality	1780	1780	<b>Unch</b>
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	1780	1780	<b>Unch</b>

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			14-May-18	12-May-18	
<b>Gujarat</b>	Rajkot	Lokwan	1850	1850	<b>Unch</b>
<b>M.P.</b>	Indore	Lokwan	2000	2000	<b>Unch</b>
	Bhopal	Lokwan	1850	1850	<b>Unch</b>
	Bina	Sarbati 306	2450	Closed	-
<b>Rajasthan</b>	Kota	LokwanBilty	1850	1850	<b>Unch</b>
	Baran	Lokwan	1825	1825	<b>Unch</b>

## Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			14-May-18	12-May-18	
<b>Delhi</b>	Lawrence Road	Mill Delivery	12000	8500	<b>3500</b>
	Narella	Mill Quality Loose	700	1000	<b>-300</b>
	Nazafgarh	Mill Quality Loose	100	200	<b>-100</b>
<b>Gujarat</b>	Rajkot	Mill Quality Loose	1600	1400	<b>200</b>
	Dhrol	Mill Quality Loose	65	27	<b>38</b>
<b>M.P.</b>	Indore	Mill Quality Loose	5000	3000	<b>2000</b>
<b>Rajasthan</b>	Kota	Mill Quality	12000	15000	<b>-3000</b>
<b>U.P.</b>	Kanpur	Mill Quality Loose	500	400	<b>100</b>
	Mathura	Mill Quality Loose	2500	2500	<b>Unch</b>
	Kosi	Mill Quality Loose	4000	2000	<b>2000</b>
	Hathras	Mill Quality Loose	500	200	<b>300</b>
	Aligarh	Mill Quality Loose	1800	2000	<b>-200</b>
<b>Punjab</b>	Khanna	Mill Quality Loose	12000	12000	<b>Unch</b>
	(Ludhiana)Jagraon	Mill Quality Loose	1000	1000	<b>Unch</b>
<b>Haryana</b>	Sirsa	Mill Quality Loose	400	400	<b>Unch</b>
	Hodal	Mill Quality Loose	1000	1000	<b>Unch</b>
	Bhiwani	Mill Quality Loose	1200	2000	<b>-800</b>

	Karnal	Mill Delivery	4000	4000	Unch
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	14-May-18	12-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:11.5.2018					
Contract Month	Open	High	Low	Close	Change
18-May	500.00	503.50	499.50	501.75	-5.75
18-Jul	524.00	526.25	516.00	518.00	-9.00
18-Sep	542.75	544.50	535.00	536.50	-9.00
18-Dec	568.25	569.75	560.50	562.00	-8.75
19-Mar	587.00	587.00	579.00	579.75	-9.75
19-May	594.25	595.00	588.25	589.50	-8.75

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