

**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 2025-2035 per quintal and Ukrainian wheat at Rs 1870-1880 per quintal. Wheat supplies are likely to tighten this year.

**As per latest update, until 19th May'18 a total of 126.64 LMT of wheat has been procured in Punjab.** Government agencies have procured 126.09 LMT of wheat whereas private trade has procured 55436 MT. Furthermore, around 123.99 LMT of wheat has been lifted from mandis and Rs 18911 crore has been paid to farmers. Of the total quantity, PUNGRAIN had procured 29.23 LMT, MARKFED had procured 27.64 LMT, PUNSUP had procured 24.30 LMT, PSWC had procured 17.11 LMT, PAFC had procured 12.60 MT and FCI had procured 15.20 LMT of wheat.

**Government agencies have started procurement since 15th March'18. Until 18th May'18 government has procured around 328.54 lakh tonnes of wheat.** Of the total quantity procured, around 125.88 lakh tonnes have been procured from Punjab, 87.37 lakh tonnes from Haryana, 34.15 lakh tonnes from Uttar Pradesh, 66.17 lakh tonnes have been procured from Madhya Pradesh, 13.74 in Rajasthan, 0.74 lakh tonnes from Uttarakhand, 0.14 lakh tonnes from Chandigarh and 0.35 lakh tonnes from Gujarat. In Rabi marketing season 2018-19 government has set procurement target of 32 MMT.

**As per third advance estimate, India is likely to produce 98.61 MMT of wheat compared to 97.11 MMT** in second estimate. The total food grain production is expected at record 279.51 MMT, up by around 0.72% compared to second estimate.

**As per trade source, India has exported around 4.24 thousand tonnes in the month of April** compared to 1.84 thousand tonnes in March. The quantity in March was exported at an average FOB of \$ 357.32 per tonne and the major destinations were UAE, UK, Sri Lanka, Vietnam and Somalia. Exports are likely to be at lower side as other countries are able to provide quality wheat at competitive prices.

**Wheat WPI has increased slightly from 141.2 in March-2018 to 140.9 in April-2018.** Monthly wheat inflation has decreased by 0.21 percent in March -2018 compared to previous month. As compared to March -2017 wheat WPI has decreased by around 0.07 percent.

**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.

**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.

**International Market Update:**

**As per latest Update, Iraq's state grains board has purchased around 100000 tonnes of hard wheat in a tender.** Of the total quantity 50000 tonnes will be sourced from United States and rest from Australia. In previous tender, Iraq bought 100000 tonnes of Australian wheat at \$298 per tonne C&F. Iraq has stepped up its local wheat purchase as well due to drought conditions.

**As per latest update, Japan's ministry of agriculture bought 89937 MMT of food quality wheat from United States, Canada and Australia.** Around 33992 MMT has been bought from United States; Around 30730 MMT has been bought from Canada and 25215 tonnes of standard white wheat from west Australia. Shipments from United States and Canada will be loaded between June 21 and July 20 whereas shipment from Australia will be loaded between July 01 and July 31.

**Russian milling wheat prices remained weak by \$0-1 per tonne compared to last week.** Export prices eased due to low liquidity, better weather conditions and expectation of good new crop. 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 \$210.00-214.00/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 firm in the near term.

Wheat Futures Contract: NCDEX Price							Date: 21.05.2018 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-Jun	-7	1797	1795	1763	1790	990	630	6960	290
18-Jul	-	-	-	-	-	-	-	-	-
18-Aug	-	-	-	-	-	-	-	-	-

Spread	June-18	July-18	Aug-18	
Spot Narela				
18-June	70			
18-July		-		
18-Aug			-	

Stocks	Demat	In- Process	Total	FED
	19.May.18	19.May.18	19.May.18	14.May.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	4041	20	4061	3591
Baran	30	0	30	30

## Wheat Daily Prices and Arrivals on 21.05.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			21-May-18	19-May-18	
Delhi	Lawrence Road	Mill Delivery	1750	1750	Unch
	Narella	Mill Quality Loose	1715	1715	Unch
	Nazafgarh	Mill Quality Loose	1700	1700	Unch
Gujarat	Rajkot	Mill Delivery	1630	1640	-10
	Ahmedabad	Mill Delivery	1830	1820	10
	Surat	Mill Delivery	1880	1880	Unch
	Dhrol	Mill Quality Loose	1800	1755	45
M.P.	Indore	Mill Delivery	1750	1700	50
	Bhopal	Mill Quality Loose	1750	1825	-75
Rajasthan	Kota	Mill Quality Loose	1660	1710	-50
		Mill Delivery	1820	1820	Unch
U.P.	Kanpur	Mill Delivery	1725	1725	Unch
	Mathura	Mill Quality Loose	1570	1550	20
	Kosi	Mill Quality Loose	1570	1575	-5
	Hathras	Mill Quality Loose	NR	1610	-
	Aligarh	Mill Quality Loose	1590	1590	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	1780	NR	-

	Bhiwani	Mill Quality Loose	1750	1735	15
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	1735	1735	Unch
Tamil Nadu	Chennai	Mill Quality	2100	2100	Unch
	Madurai	Mill Quality	2157	2157	Unch
	Coimbatore	Mill Quality	2157	2157	Unch
Bihar	Khagariya	Mill Delivery	1500	1550	-50
	Muzaffarpur	Mill Delivery	1475	1475	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	1790	1800	-10
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	1790	1800	-10

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			21-May-18	19-May-18	
Gujarat	Rajkot	Lokwan	1850	2000	-150
M.P.	Indore	Lokwan	2100	2000	100
	Bhopal	Lokwan	2000	2000	Unch
	Bina	Sarbati 306	2450	2450	Unch
Rajasthan	Kota	LokwanBilty	1875	1875	Unch
	Baran	Lokwan	1700	1850	-150

## Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			21-May-18	19-May-18	
Delhi	Lawrence Road	Mill Delivery	9000	9000	Unch
	Narella	Mill Quality Loose	600	600	Unch
	Nazafgarh	Mill Quality Loose	50	150	-100
Gujarat	Rajkot	Mill Quality Loose	1500	1200	300
	Dhrol	Mill Quality Loose	106	82	24
M.P.	Indore	Mill Quality Loose	5000	5000	Unch
Rajasthan	Kota	Mill Quality	12000	10000	2000
U.P.	Kanpur	Mill Quality Loose	600	500	100
	Mathura	Mill Quality Loose	4000	4000	Unch
	Kosi	Mill Quality Loose	4000	4000	Unch
	Hathras	Mill Quality Loose	NR	250	-
	Aligarh	Mill Quality Loose	3000	2000	1000
Punjab	Khanna	Mill Quality Loose	5000	6000	-1000
	(Ludhiana)Jagraon	Mill Quality Loose	500	1000	-500
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	200	NR	-
	Bhiwani	Mill Quality Loose	800	1000	-200

	Karnal	Mill Delivery	2500	3000	<b>-500</b>
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	21-May-18	19-May-18	Change
Atta (50kg) Ordinary	950	1015	<b>-65</b>
Maida Grade 1 (50KG)	1015	1135	<b>-120</b>
Suji (50kg)	1075	1190	<b>-115</b>
Chokar (50 kg)	865	744	<b>121</b>
Chokar (34 kg)	590	516	<b>74</b>
Chakki Atta (50kg)	1000	1025	<b>-25</b>
Chakki Atta (50kg) Special	1000	1025	<b>-25</b>
Chakki Atta (90kg) Superfine	1865	1980	<b>-115</b>
Chakki Atta (50kg) Superfine	1035	1100	<b>-65</b>

Wheat (CBOT) Future Price:20.5.2018					
Contract Month	Open	High	Low	Close	Change
<b>18-Jul</b>	497.50	518.75	495.25	518.25	<b>20.75</b>
<b>18-Sep</b>	513.50	534.50	511.50	534.00	<b>20.50</b>
<b>18-Dec</b>	534.75	555.25	532.75	554.75	<b>20.00</b>
<b>19-Mar</b>	552.25	572.75	551.00	572.50	<b>19.75</b>
<b>19-May</b>	560.50	581.75	560.50	581.75	<b>19.00</b>
<b>19-Jul</b>	565.75	585.50	565.50	585.50	<b>18.50</b>

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