

**Wheat Domestic Fundamentals:**

**As per fourth advance estimate, wheat production has been pegged at 99.70 MMT** compared to 98.61 MMT in its third advance estimate issued in the month of May-2018. Total food grain output is expected to be around 284.43 MMT compared to 279.51 MMT in earlier estimate.

**FCI will offer a total quantity 1854850 tonnes of wheat** in different states through e-auction on 30th August 2018 at a reserve price of Rs 1900 per quintal.

**As per trade sources imported wheat from various origins to Tuticorin port witnessed firm tone in the week.** As of now Tuticorin port price for ASW is Rs 2315-2325 per quintal and Ukrainian wheat is Rs 2110-2120 per quintal. Australian Premium Wheat (APW) is not available in the domestic market. Stock of imported wheat has declined in past months as no quantity has been imported since February 2018 from Australia or Black sea region.

**As per trade sources, after increase in import duty to 30 percent imports have decreased substantially.** India has imported no wheat in the month of July-2018. Imports are expected to be low this year due to good domestic availability and increase in import duty. India has imported around 31000 tonnes in the month of February-2018. As of now there is no import parity.

**As per trade source, India has exported around 0.72 thousand tonnes in the month of July compared to 2.17 thousand tonnes in June.** The quantity in July was exported at an average FOB of \$ 565.92 per tonne and the major destinations were Somalia, Sri Lanka, Nepal, UAE, Malaysia, Kuwait and Saudi Arabia. Exports are likely to be at lower side as other countries are able to provide quality wheat at competitive prices.

**All India weekly average prices decreased by 0.66 percent to Rs. 2020.39 per quintal during the week ended 23rd August 2018.** Wheat average price were ruling at Rs 2019.19 per quintal during 09-15 August 2018. As compared to prices in the week 16-23 August 2017, the prices are firm by 0.80 percent. Prices are expected to remain firm in coming days due to good domestic demand.

**Previous Updates:**

**As per latest update, wheat stock in central pool as on 1st August'18 stood at 405.58 lakh tonnes down by 2.97% compared to last month.** This quantity is higher by around 34.93% compared to last year for the same month. Government has already applied import duty on wheat to curb imports and provide support to domestic prices. The stock position as on 01st August'18 is highest in last four years. Therefore, government has abundant supplies this year to tackle any unexpected rise in wheat prices by selling more quantity in open market.

**International Market Update:**

**Egypt has purchased 350000 tonnes of Russian and Ukrainian wheat through tender.** Of the total quantity 60000 tonnes was Ukrainian wheat and remaining was Russian wheat. Louis Dreyfus offered 60000 tonnes of Ukrainian wheat at FOB \$223.50/tonne, Glencore offered two cargoes (Russian wheat) each of 55000 tonnes at an FOB of \$221.51/tonne and \$223.51/tonne, Garant offered 60000 tonnes of Russian wheat at FOB \$225.90/tonne, GTSC offered two cargoes (Russian wheat) each of 60000 tonnes at an FOB of \$225.50/tonne. The said quantities are to be delivered during 11-20 October-2018. In its previous tender on 14th August 2018, Egypt has bought 420000 tonnes of wheat from Russia and Romania.

**As on 21st August, Russia has harvested around 54.2 MMT of wheat** from 16 million hectares of land compared to 59.5 MMT last year for the same date. Harvesting in Ukraine is complete and Ukraine has harvested 25 MMT of wheat compared to 26.6 MMT last year. In July-18, Russia and Ukraine has exported 3.9 MMT has exported 0.43 MMT of wheat respectively. Prices are ruling at higher side in Black Sea due to lower production and good export demand.

**Russian milling wheat prices became weak by \$2-3 per tonne** at Novorossiysk and \$2-3 per tonne at Odessa compared to last week. Prices remained weak as Eid holiday kept demand at lower side. As per USDA, Russia is expected to produce 68.00 MMT in 2018 compared to 84.99 MMT in 2017. As of now Russian milling wheat with 12.5% protein content at Novorossiysk port is being quoted at FoB \$225.00-230.00/tonne whereas milling wheat whereas wheat with 12.5% protein content at Odessa is being quoted at FoB \$225.00-230.00/tonne.

**As on 13th August, US have harvested 94 percent of winter wheat and 35 percent of spring wheat.** Harvest in Ukraine is nearly complete and farmers have harvested around 24.9 MMT of wheat in 2018-19. In Saskatchewan, around 24 percent and 3 percent of winter wheat and durum wheat has been harvested respectively. As per Buenos Aires grain exchange wheat planted area in Argentina has increased by 7 percent compared to 6.1 million acres last year. Global wheat crop is expected to be lower this year, which is likely to provide support to global wheat prices.

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

Wheat Futures Contact: NCDEX Price							Date: 29.08.2018 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-Sep	7	1994	1996	1992	1996	130	-800	3220	-80
18-Oct	6	2000	2001	2000	2001	30	20	590	-10
18-Nov	0	2001	2001	2001	2001	0	0	0	0

Spread	Sep-18	Oct-18	Nov-18	
Spot Narela				
18-Sep	126			
18-Oct		5		
18-Nov			0	

Stocks	Demat	In- Process	Total	EDD
	28.Aug.18	28.Aug.18	28.Aug.18	27.Aug.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	6712	0	6712	6712
Baran	30	0	30	30

**Wheat Daily Prices and Arrivals on 29.08.2018**

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			29-Aug-18	28-Aug-18	
Delhi	Lawrence Road	Mill Delivery	1980	1980	Unch
	Narella	Mill Quality Loose	Closed	1870	-
	Nazafgarh	Mill Quality Loose	Closed	1890	-
Gujarat	Rajkot	Mill Delivery	1915	1890	25
	Ahmedabad	Mill Delivery	2070	2065	5
	Surat	Mill Delivery	2100	2100	Unch
	Dhrol	Mill Quality Loose	2025	1975	50
M.P.	Indore	Mill Delivery	1975	1950	25
	Bhopal	Mill Quality Loose	1950	1925	25
Rajasthan	Kota	Mill Quality Loose	1850	1850	Unch
		Mill Delivery	1950	1950	Unch
U.P.	Kanpur	Mill Delivery	1815	1830	-15
	Mathura	Mill Quality Loose	1775	1770	5
	Kosi	Mill Quality Loose	1785	1780	5
	Hathras	Mill Quality Loose	1775	1785	-10
	Aligarh	Mill Quality Loose	Closed	1780	-
Punjab	Khanna	Mill Quality Loose	1860	1850	10
	Ludhiana (Jagraon)	Mill Delivery	Closed	Closed	-
Haryana	Sirsa	Mill Delivery loose	1825	1830	-5
	Hodal	Mill Delivery	1940	1940	Unch

	Bhiwani	Mill Quality Loose	1850	1850	Unch
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
<b>Tamil Nadu</b>	Chennai	Mill Quality	2325	2325	Unch
	Madurai	Mill Quality	2382	2382	Unch
	Coimbatore	Mill Quality	2382	2382	Unch
<b>Bihar</b>	Khagariya	Mill Delivery	1700	1700	Unch
	Muzaffarpur	Mill Delivery	1825	1800	25
<b>FOR</b>	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			29-Aug-18	28-Aug-18	
<b>Gujarat</b>	Rajkot	Lokwan	2050	2050	Unch
<b>M.P.</b>	Indore	Lokwan	2400	2400	Unch
	Bhopal	Lokwan	2150	2150	Unch
	Bina	Sarbati 306	Closed	2850	-
<b>Rajasthan</b>	Kota	Lokwan Bilty	2100	2100	Unch
	Baran	Lokwan	1950	1950	Unch

**Wheat Arrivals in Key Centers:**

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			29-Aug-18	28-Aug-18	
<b>Delhi</b>	Lawrence Road	Mill Delivery	7000	7500	-500
	Narella	Mill Quality Loose	Closed	125	-
	Nazafgarh	Mill Quality Loose	Closed	NA	-
<b>Gujarat</b>	Rajkot	Mill Quality Loose	400	600	-200
	Dhrol	Mill Quality Loose	47	18	29
<b>M.P.</b>	Indore	Mill Quality Loose	5000	2500	2500
<b>Rajasthan</b>	Kota	Mill Quality	2000	1800	200
<b>U.P.</b>	Kanpur	Mill Quality Loose	500	600	-100
	Mathura	Mill Quality Loose	600	250	350
	Kosi	Mill Quality Loose	200	200	Unch
	Hathras	Mill Quality Loose	60	NA	-
	Aligarh	Mill Quality Loose	Closed	500	-
<b>Punjab</b>	Khanna	Mill Quality Loose	500	600	-100
	(Ludhiana)Jagraon	Mill Quality Loose	Closed	Closed	-
<b>Haryana</b>	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	50	50	Unch
	Bhiwani	Mill Quality Loose	600	600	Unch

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

Wheat Products Delhi	29-Aug-18	28-Aug-18	Change
Atta (50kg) Ordinary	1050	1050	Unch
Maida Grade 1 (50KG)	1150	1150	Unch
Suji (50kg)	1200	1200	Unch
Chokar (50 kg)	900	900	Unch
Chokar (34 kg)	615	615	Unch
Chakki Atta (50kg)	1100	1100	Unch
Chakki Atta (50kg) Special	1125	1125	Unch
Chakki Atta (90kg) Superfine	2045	2045	Unch
Chakki Atta (50kg) Superfine	1135	1135	Unch

Wheat (CBOT) Future Price: 28.08.2018					
Contract Month	Open	High	Low	Close	Change
<b>18-Sep</b>	500.25	504.25	494.75	498.25	<b>-1.00</b>
<b>18-Dec</b>	523.00	529.00	518.50	523.25	<b>+0.75</b>
<b>19-Mar</b>	546.25	552.50	542.50	545.75	<b>-0.50</b>
<b>19-May</b>	558.75	564.50	555.00	558.50	<b>-0.25</b>
<b>19-Jul</b>	554.25	559.00	551.25	554.25	<b>-0.25</b>
<b>19-Sep</b>	561.50	566.00	559.25	561.25	<b>-1.00</b>

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