

Wheat Domestic Fundamentals:

Government has offered 16295710 tonnes of wheat in OMSS since July until first tender in September, out of which 803600 tonnes was sold. Total numbers of rakes sold were 13. State government and bulk consumers bought 244900 tonnes and 524250 tonnes of wheat respectively. 34450 tonnes was sold in dedicated movement. Sales through OMSS are expected to be higher this year.

As per trade sources imported wheat from various origins to Tuticorin port witnessed firm tone in the week. As of now Ukrainian wheat is Rs 2150-2160 per quintal. Australian Standard Wheat (ASW) and 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.

All India weekly average prices increased by 1.60 percent to Rs. 1994.88 per quintal during the week ended 08th September 2018. Wheat average price were ruling at Rs 1963.48 per quintal during 24-31 August 2018. As compared to prices in the week 01-08 September 2017, the prices are firm by 0.72 percent. Prices are expected to remain firm in coming days due to good domestic demand.

Supply side for FAQ is likely to be good as ample stock is available in domestic market due to good production and imports. Government has procured intensively and surpassed its procurement target of 32 MMT. Demand from south Indian millers is likely to pick up during lean season after application of 30% import duty. No import parity has also increased demand for domestic wheat.

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.

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.

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.

International Market Update:

Russian milling wheat prices became weak by \$5 per tonne at Novorossiysk and \$4-5 per tonne at Odessa compared to last week. Russia doesn't have any plan to curb export of grains as of now. Furthermore, importers are expecting prices to ease down a little more. 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 \$215.00-221.00/tonne whereas milling wheat with 12.5% protein content at Odessa is being quoted at FoB \$216.00-221.00/tonne.

The Russian agriculture ministry has made it clear that it doesn't have any plan to curb export of grains as of now. This has led the grains market to ease a little bit. However, Russia has imposed complete export bans and duties in past years.

As per latest update, Japan's ministry of agriculture bought 107965 MT of food quality wheat from United States and Canada. Around 54412 MT has been bought from United States and 53553 MT of western red spring has been bought from Canada. Shipments from United States and Canada will be loaded between Oct 21 and Nov 20, 2018.

Egypt has purchased 60000 tonnes of Russian wheat through tender. Garant offered 60000 tonnes of Russian wheat at FOB \$217.90/tonne. The said quantities are to be delivered during 21-30 October-2018. In its previous tender on 28th August 2018, Egypt has bought 350000 tonnes of wheat from Russia and Ukraine.

Jordan has bought 60000 tonnes of hard milling wheat at \$257 per tonne cost and freight for delivery in first half of November. The tender closed on Wednesday and wheat can be sourced from optional origin. The seller was trading house Ameropa. Two other companies, CHS and Agro Chirnogi offered wheat at \$265.27 per tonne and \$263 per tonne respectively.

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

Wheat Futures Contact: NCDEX Price							Date: 11.09.2018 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	24	2008	2031	1999	2031	150	-1,810	1020	-110
18-Oct	5	2028	2036	2026	2028	360	-1,950	2580	90
18-Nov	0	2039	2039	2039	2039	0	0	0	0

Spread	Sep-18	Oct-18	Nov-18	
Spot Narela				
18-Sep	161			
18-Oct		-3		
18-Nov			11	

Stocks	Demat	In- Process	Total	EDD
	10.Sep.18	10.Sep.18	10.Sep.18	10.Sep.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	6712	190	6902	6712
Baran	30	0	30	30

Wheat Daily Prices and Arrivals on 11.09.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			11-Sep-18	10-Sep-18	
Delhi	Lawrence Road	Mill Delivery	2020	2020	Unch
	Narella	Mill Quality Loose	1870	1875	-5
	Nazafgarh	Mill Quality Loose	1925	1920	5
Gujarat	Rajkot	Mill Delivery	1965	1925	40
	Ahmedabad	Mill Delivery	2120	2100	20
	Surat	Mill Delivery	2150	2125	25
	Dhrol	Mill Quality Loose	2045	NA	-
M.P.	Indore	Mill Delivery	Closed	Closed	-
	Bhopal	Mill Quality Loose	1950	Closed	-
Rajasthan	Kota	Mill Quality Loose	1910	1900	10
		Mill Delivery	2020	2010	10
U.P.	Kanpur	Mill Delivery	1820	1820	Unch
	Mathura	Mill Quality Loose	1845	1825	20
	Kosi	Mill Quality Loose	1925	1910	15
	Hathras	Mill Quality Loose	1880	NR	-
	Aligarh	Mill Quality Loose	1840	1850	-10
Punjab	Khanna	Mill Quality Loose	1850	NA	-
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1830	1825	5
	Hodal	Mill Delivery	1940	1940	Unch

	Bhiwani	Mill Quality Loose	1870	1860	10
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2330	2320	10
	Madurai	Mill Quality	2387	2377	10
	Coimbatore	Mill Quality	2387	2377	10
Bihar	Khagariya	Mill Delivery	1800	1800	Unch
	Muzaffarpur	Mill Delivery	1860	1875	-15
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			11-Sep-18	10-Sep-18	
Gujarat	Rajkot	Lokwan	2150	2100	50
M.P.	Indore	Lokwan	Closed	Closed	-
	Bhopal	Lokwan	2200	Closed	-
	Bina	Sarbati 306	2925	Closed	-
Rajasthan	Kota	Lokwan Bilty	2160	2150	10
	Baran	Lokwan	2000	Closed	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			11-Sep-18	10-Sep-18	
Delhi	Lawrence Road	Mill Delivery	6500	8000	-1500
	Narella	Mill Quality Loose	300	350	-50
	Nazafgarh	Mill Quality Loose	100	100	Unch
Gujarat	Rajkot	Mill Quality Loose	1000	400	600
	Dhrol	Mill Quality Loose	49	NA	-
M.P.	Indore	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality	1600	1500	100
U.P.	Kanpur	Mill Quality Loose	500	500	Unch
	Mathura	Mill Quality Loose	300	100	200
	Kosi	Mill Quality Loose	500	500	Unch
	Hathras	Mill Quality Loose	300	NR	-
	Aligarh	Mill Quality Loose	300	400	-100
Punjab	Khanna	Mill Quality Loose	400	NA	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	300	200	100
	Hodal	Mill Quality Loose	50	50	Unch
	Bhiwani	Mill Quality Loose	600	300	300

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

Wheat Products Delhi	11-Sep-18	10-Sep-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: 10.09.2018					
Contract Month	Open	High	Low	Close	Change
18-Sep	488.00	504.00	488.00	504.00	17.75
18-Dec	512.00	529.00	508.25	528.25	17.00
19-Mar	532.50	547.25	528.75	546.75	15.25
19-May	545.75	560.75	542.25	560.25	15.50
19-Jul	543.25	561.25	540.25	560.50	17.75
19-Sep	553.50	570.75	551.25	570.50	17.25

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