

**Wheat Domestic Fundamentals:**

**As per trade sources imported wheat from various origins to Tuticorin port witnessed weak tone in the week. As of now Ukrainian wheat is Rs 2160-2170 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.

**Indian FoB quote is hovering around \$294.14 per tonne. Against it Russia, Ukraine, France, US and Australia are offering wheat at \$203.50, \$209.50, Euro 201.00, \$216.36 and \$257.25 per tonne respectively.** There is little hope for recovery at export front this year. India is expected to import 0.5 million tonnes or lower in MY 2018-19 due to good availability in domestic market. Global FoB quotes have become firm due to lower production and decrease in carryover stocks.

**All India weekly average prices increased by 4.84 percent to Rs. 2153.88 per quintal during the week ended 23rd September 2018.** Wheat average price were ruling at Rs 2054.52 per quintal during 09-15 September 2018. As compared to prices in the week 16-23 September 2017, the prices are weak by 5.80 percent. Prices are expected to remain firm in coming days due to good domestic demand.

**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 August-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 1.90 thousand tonnes in the month of August** compared to 0.72 thousand tonnes in July. The quantity in July was exported at an average FOB of \$ 420.97 per tonne and the major destinations were South Africa, Sri Lanka, UAE, Malaysia, Congo and Bahrain. Exports are likely to be at lower side as other countries are able to provide quality wheat at competitive prices.

**Wheat WPI has increased from 144.9 in July-2018 to 148.6 in August-2018.** Monthly wheat inflation has increased by 2.55 percent in August -2018 compared to previous month. As compared to August-2017 wheat WPI has increased by around 8.39 percent. Wheat WPI is expected to stay steady to slightly firm in coming months.

**Previous Updates:**

**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.

**International Market Update:**

**Russian milling wheat prices became firm by \$6-7 per tonne at Novorossiysk and \$10 per tonne at Odessa compared to last week.** Russian grain market players reported long vessels' delays in the ports, waiting for phytosanitary certificates for export parcels. 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 \$220.00-226.00/tonne whereas milling wheat whereas wheat with 12.5% protein content at Odessa is being quoted at FoB \$220.00-226.00/tonne.

**Egypt's state grains buyer, GASC has purchased 180000 tonnes of wheat** for shipment during 01-10 November and 295000 tonnes of wheat for shipment during 11-20 November. Of the total quantity 415000 tonnes was Russian wheat and remaining was Ukrainian wheat. In its previous tender on 12th September 2018, Egypt has bought 235000 tonnes of wheat from Russia.

**As per ABARES, Australia is expected to produce 19.1 MMT of wheat in 2018-19 due to unfavourable weather conditions.** Australia exports around two-third of its total production. Due to fall in production, Asian flour mills may seek wheat from Argentina in coming months. Argentina has quoted \$275 per tonne including cost and freight for Asia compared to \$290 per tonne from Australia.

**Algeria state grains agency OAIC has bought around 630000 tonnes** of milling wheat in a tender that closed on Wednesday. The prices paid were in the range of \$262.00 - \$263.00 per tonne (Cost and Freight). The quantity to be shipped is due in November. Most of the quantity is expected to be sourced from France and Algeria.

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

Wheat Futures Contact: NCDEX Price							Date: 28.09.2018 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-Oct	0	2045	2046	2040	2045	200	+90	2140	-140
18-Nov	0	2045	2046	2045	2045	0	0	0	0
18-Dec	0	2045	2055	2045	2045	0	0	0	0

Spread	Oct-18	Nov-18	Dec-18	
Spot Narela				
18-Oct	95			
18-Nov		0		
18-Dec			0	

Stocks	Demat	In- Process	Total	EDD
	26.Sep.18	26.Sep.18	26.Sep.18	24.Sep.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	6778	0	6778	6778
Baran	30	0	30	30

## Wheat Daily Prices and Arrivals on 28.09.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			28-Sep-18	27-Sep-18	
Delhi	Lawrence Road	Mill Delivery	2035	2035	Unch
	Narella	Mill Quality Loose	1950	1950	Unch
	Nazafgarh	Mill Quality Loose	1925	1930	-5
Gujarat	Rajkot	Mill Delivery	1950	1950	Unch
	Ahmedabad	Mill Delivery	2120	2120	Unch
	Surat	Mill Delivery	2150	2150	Unch
	Dhrol	Mill Quality Loose	2065	NR	-
M.P.	Indore	Mill Delivery	2060	2060	Unch
	Bhopal	Mill Quality Loose	Closed	1925	-
Rajasthan	Kota	Mill Quality Loose	1915	1915	Unch
		Mill Delivery	2020	2020	Unch
U.P.	Kanpur	Mill Delivery	1950	1950	Unch
	Mathura	Mill Quality Loose	Closed	1860	-
	Kosi	Mill Quality Loose	NR	1860	-
	Hathras	Mill Quality Loose	1860	1870	-10
	Aligarh	Mill Quality Loose	1840	1840	Unch
Punjab	Khanna	Mill Quality Loose	1850	1850	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1835	1840	-5
	Hodal	Mill Delivery	2030	2030	Unch

	Bhiwani	Mill Quality Loose	1930	1940	-10
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2350	2350	Unch
	Madurai	Mill Quality	2407	2407	Unch
	Coimbatore	Mill Quality	2407	2407	Unch
Bihar	Khagariya	Mill Delivery	1800	1800	Unch
	Muzaffarpur	Mill Delivery	1925	1925	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			28-Sep-18	27-Sep-18	
Gujarat	Rajkot	Lokwan	2100	2100	Unch
M.P.	Indore	Lokwan	2600	2600	Unch
	Bhopal	Lokwan	Closed	2150	-
	Bina	Sarbati 306	2950	2950	Unch
Rajasthan	Kota	Lokwan Bilty	2150	2150	Unch
	Baran	Lokwan	NA	NA	-

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			28-Sep-18	27-Sep-18	
Delhi	Lawrence Road	Mill Delivery	7000	7000	Unch
	Narella	Mill Quality Loose	500	400	100
	Nazafgarh	Mill Quality Loose	150	250	-100
Gujarat	Rajkot	Mill Quality Loose	500	700	-200
	Dhrol	Mill Quality Loose	64	NR	-
M.P.	Indore	Mill Quality Loose	3000	2000	1000
Rajasthan	Kota	Mill Quality	3500	3500	Unch
U.P.	Kanpur	Mill Quality Loose	700	500	200
	Mathura	Mill Quality Loose	Closed	500	-
	Kosi	Mill Quality Loose	NR	500	-
	Hathras	Mill Quality Loose	250	60	190
	Aligarh	Mill Quality Loose	400	600	-200
Punjab	Khanna	Mill Quality Loose	600	700	-100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	400	200	200
	Hodal	Mill Quality Loose	30	30	Unch
	Bhiwani	Mill Quality Loose	700	600	100
	Karnal	Mill Delivery	NA	NA	-

	Panipat	Mill Quality Loose	NA	NA	-
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Wheat Products Delhi	28-Sep-18	27-Sep-18	Change
Atta (50kg) Ordinary	1100	1100	Unch
Maida Grade 1 (50KG)	1175	1175	Unch
Suji (50kg)	1225	1225	Unch
Chokar (50 kg)	900	900	Unch
Chokar (34 kg)	615	615	Unch
Chakki Atta (50kg)	1150	1150	Unch
Chakki Atta (50kg) Special	1175	1175	Unch
Chakki Atta (90kg) Superfine	2135	2135	Unch
Chakki Atta (50kg) Superfine	1185	1185	Unch

Wheat (CBOT) Future Price: 27.09.2018					
Contract Month	Open	High	Low	Close	Change
18-Dec	521.25	527.00	516.75	517.50	-3.25
19-Mar	540.50	545.50	535.50	536.00	-3.50
19-May	552.25	557.00	546.50	547.25	-4.00
19-Jul	553.25	558.25	547.50	548.25	-3.75
19-Sep	566.50	567.75	558.00	558.50	-3.50
19-Dec	581.00	582.00	572.75	573.50	-3.50

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