

**Wheat Domestic Fundamentals:**

**As per trade sources imported wheat from various origins to Tuticorin port witnessed firm tone in the week. As of now Ukrainian wheat is being quoted at Rs 2180-2190 per quintal.** Australian Standard Wheat (ASW) and Australian Premium Wheat (APW) are not available in 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 latest update, hybrid varieties of wheat such as HD 8579, HD 4728, HW 5207, HS 562, HD 3171 and HD 1605 have been introduced for upcoming Rabi season.** All the hybrid varieties have good yields especially when used in irrigated areas. In case farmers go for these varieties in upcoming Rabi season, production is expected to increase.

**All India weekly average prices increased by 1.18 percent to Rs. 2017.72 per quintal** during the week ended 08th October 2018. Wheat average price were ruling at Rs 1994.20 per quintal during 24-30 September 2018. As compared to prices in the week 01-08 October 2017, the prices are firm by 7.84 percent. Prices are expected to remain firm in coming days due to good domestic demand.

**Government has increased MSP of wheat by Rs 105 per quintal to Rs 1840 per quintal for MY 2019-20.** This will motivate farmers to sow more area and thereby boost production of wheat.

**Government has offered 20396060 tonnes of wheat in OMSS since first tender in July until third tender in September, out of which 1311400 tonnes was sold.** Total numbers of rakes sold were 117. State government and bulk consumers bought 284750 tonnes and 957750 tonnes of wheat respectively. 68900 tonnes was sold in dedicated movement. Government will sell wheat in open market at a reserve price of Rs 1900 per quintal in the second quarter i.e. July-September. For third and fourth quarter reserve price will be Rs 1925 per quintal and Rs 1950 per quintal respectively.

**Wheat prices in Australia and Black sea region have become firm in past week.** As of now, Russian wheat with 12.5 percent protein content and Australian standard wheat (ASW) is being quoted at \$328 per tonne and \$363 per tonne respectively, after including freight and import duty @30%. Local expenses will make imported wheat more expensive. Therefore, there is no parity for imported wheat as of now.

**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.

**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 \$3 per tonne at Novorossiysk and \$3 per tonne at Odessa compared to last week.** Wheat prices remained firm due to strong ruble and concerns over export related matters such as tightening phytosanitary rules and longer time to get necessary certificates. As per USDA, Russia is expected to produce 68.50 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 \$223.00-229.00/tonne whereas milling wheat whereas wheat with 12.5% protein content at Odessa is being quoted at FoB \$223.00-229.00/tonne.

**As per latest update, France has exported 1.48 MMT of soft wheat in August-18.** Of the total quantity, around 0.74 MMT of wheat was exported to Argentina. Total wheat exports during July-August'18 were 2.78 MMT up by around 9 percent year on year.

**Egypt's state grains buyer, GASC has purchased 180000 tonnes of Russian wheat.** Daewoo offered 60000 tonnes of Russian wheat at FOB \$233.95/tonne. Aston offered 60000 tonnes of Russian wheat at FOB \$235.80/tonne. Garant offered 60000 tonnes of Russian wheat at FOB \$236.90/tonne. In its previous tender on 18th September 2018, Egypt has bought 475000 tonnes of wheat from Russia.

**As per latest update, IGC expects wheat production to increase by 1 MMT to 717 MMT.** The forecast has increased due to an upward revision by Russia which has slightly offset the lower production in Australia.

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

Wheat Futures Contact: NCDEX Price							Date: 09.10.2018 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	2048	2045	2047	270	+60	790	-240
18-Nov	-7	2051	2052	2047	2051	210	+170	530	0
18-Dec	0	2069	2072	2069	2069	0	0	0	0

Spread	Oct-18	Nov-18	Dec-18
Spot Narela			
18-Oct	47		
18-Nov		4	
18-Dec			18

Stocks	Demat	In-Process	Total	EDD
	08.Oct.18	08.Oct.18	08.Oct.18	08.Oct.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	973	0	973	973
Baran	-	-	-	-

## Wheat Daily Prices and Arrivals on 09.10.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			9-Oct-18	8-Oct-18	
Delhi	Lawrence Road	Mill Delivery	2040	2040	Unch
	Narella	Mill Quality Loose	2000	2000	Unch
	Nazafgarh	Mill Quality Loose	1970	1950	20
Gujarat	Rajkot	Mill Delivery	1970	1970	Unch
	Ahmedabad	Mill Delivery	2140	2140	Unch
	Surat	Mill Delivery	2170	2170	Unch
	Dhrol	Mill Quality Loose	NA	2200	-
M.P.	Indore	Mill Delivery	Closed	2025	-
	Bhopal	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality Loose	1900	1900	Unch
		Mill Delivery	2000	2010	-10
U.P.	Kanpur	Mill Delivery	1975	1975	Unch
	Mathura	Mill Quality Loose	1840	1820	20
	Kosi	Mill Quality Loose	1990	1900	90
	Hathras	Mill Quality Loose	1850	1850	Unch
	Aligarh	Mill Quality Loose	1840	1840	Unch
Punjab	Khanna	Mill Quality Loose	NA	1890	-
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1845	1845	Unch
	Hodal	Mill Delivery	NA	2020	-

	Bhiwani	Mill Quality Loose	1950	1950	Unch
	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
			9-Oct-18	8-Oct-18	
Gujarat	Rajkot	Lokwan	2150	2150	Unch
M.P.	Indore	Lokwan	Closed	2600	-
	Bhopal	Lokwan	Closed	Closed	-
	Bina	Sarbati 306	2950	Closed	-
Rajasthan	Kota	Lokwan Bilty	2100	2150	-50
	Baran	Lokwan	NA	NA	-

**Wheat Arrivals in Key Centers:**

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			9-Oct-18	8-Oct-18	
Delhi	Lawrence Road	Mill Delivery	6000	6500	-500
	Narella	Mill Quality Loose	250	200	50
	Nazafgarh	Mill Quality Loose	150	100	50
Gujarat	Rajkot	Mill Quality Loose	800	800	Unch
	Dhrol	Mill Quality Loose	NA	38	-
M.P.	Indore	Mill Quality Loose	Closed	2000	-
Rajasthan	Kota	Mill Quality	2500	3000	-500
U.P.	Kanpur	Mill Quality Loose	400	400	Unch
	Mathura	Mill Quality Loose	150	100	50
	Kosi	Mill Quality Loose	200	100	100
	Hathras	Mill Quality Loose	200	150	50
	Aligarh	Mill Quality Loose	400	400	Unch
Punjab	Khanna	Mill Quality Loose	NA	200	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	NA	25	-
	Bhiwani	Mill Quality Loose	200	300	-100

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

Wheat Products Delhi	9-Oct-18	8-Oct-18	Change
Atta (50kg) Ordinary	1120	1120	Unch
Maida Grade 1 (50KG)	1185	1185	Unch
Suji (50kg)	1245	1245	Unch
Chokar (50 kg)	915	915	Unch
Chokar (34 kg)	625	625	Unch
Chakki Atta (50kg)	1170	1170	Unch
Chakki Atta (50kg) Special	1195	1195	Unch
Chakki Atta (90kg) Superfine	2170	2170	Unch
Chakki Atta (50kg) Superfine	1205	1205	Unch

Wheat (CBOT) Future Price: 08.10.2018					
Contract Month	Open	High	Low	Close	Change
18-Dec	524.00	525.50	512.75	514.00	-7.00
19-Mar	542.50	544.25	532.75	534.00	-6.25
19-May	552.75	553.50	543.75	544.25	-6.00
19-Jul	557.00	558.75	549.00	549.50	-6.00
19-Sep	569.50	570.75	562.00	562.50	-6.00
19-Dec	587.00	587.00	578.50	579.75	-5.75

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