

Wheat Domestic Fundamentals:

Most of the APMC/Mandi remained closed due to Navratri and Agrasen Jayanti.

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:

Ukrainian wheat exports have touched 5.8 MMT until September-18, which represents 36 percent of the amount projected in the Memorandum signed by grain market participants and the Agrarian Policy Ministry. Of the total quantity exported 2.5 MMT is fodder wheat and 3.3 MMT is milling wheat. As per the memorandum signed on 10th August for MY 2018-19, export of milling and fodder wheat is expected at 8 MMT each.

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.

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.

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

Wheat Futures Contact: NCDEX Price							Date: 10.10.2018 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	-9	2055	2074	2036	2038	630	360	350	-440
18-Nov	14	2054	2074	2054	2065	320	110	740	210
18-Dec	0	2055	2072	2055	2055	0	0	0	0

Spread	Oct-18	Nov-18	Dec-18
Spot Narela			
18-Oct	38		
18-Nov		27	
18-Dec			-10

Stocks	Demat	In-Process	Total	EDD
	09.Oct.18	09.Oct.18	09.Oct.18	08.Oct.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	973	0	973	973
Baran	-	-	-	-

Wheat Daily Prices and Arrivals on 10.10.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			10-Oct-18	09-Oct-18	
Delhi	Lawrence Road	Mill Delivery	2050	2040	10
	Narella	Mill Quality Loose	Closed	2000	-
	Nazafgarh	Mill Quality Loose	Closed	1970	-
Gujarat	Rajkot	Mill Delivery	1970	1970	Unch
	Ahmedabad	Mill Delivery	2130	2140	-10
	Surat	Mill Delivery	2160	2170	-10
	Dhrol	Mill Quality Loose	2055	NA	-
M.P.	Indore	Mill Delivery	2025	Closed	-
	Bhopal	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality Loose	Closed	1900	-
		Mill Delivery	Closed	2000	-
U.P.	Kanpur	Mill Delivery	1960	1975	-15
	Mathura	Mill Quality Loose	1832	1840	-8
	Kosi	Mill Quality Loose	1980	1990	-10
	Hathras	Mill Quality Loose	1850	1850	Unch
	Aligarh	Mill Quality Loose	Closed	1840	-
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1840	1845	-5
	Hodal	Mill Delivery	NA	NA	-

	Bhiwani	Mill Quality Loose	1950	1950	Unch
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	Closed	2350	-
	Madurai	Mill Quality	Closed	2407	-
	Coimbatore	Mill Quality	Closed	2407	-
Bihar	Khagariya	Mill Delivery	1800	1800	Unch
	Muzaffarpur	Mill Delivery	1950	1925	25
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			10-Oct-18	09-Oct-18	
Gujarat	Rajkot	Lokwan	2150	2150	Unch
M.P.	Indore	Lokwan	2600	Closed	-
	Bhopal	Lokwan	Closed	Closed	-
	Bina	Sarbati 306	Closed	2950	-
Rajasthan	Kota	Lokwan Bilty	Closed	2100	-
	Baran	Lokwan	Closed	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			10-Oct-18	09-Oct-18	
Delhi	Lawrence Road	Mill Delivery	8000	6000	2000
	Narella	Mill Quality Loose	Closed	250	-
	Nazafgarh	Mill Quality Loose	Closed	150	-
Gujarat	Rajkot	Mill Quality Loose	600	800	-200
	Dhrol	Mill Quality Loose	45	NA	-
M.P.	Indore	Mill Quality Loose	4000	Closed	-
Rajasthan	Kota	Mill Quality	Closed	2500	-
U.P.	Kanpur	Mill Quality Loose	400	400	Unch
	Mathura	Mill Quality Loose	100	150	-50
	Kosi	Mill Quality Loose	200	200	Unch
	Hathras	Mill Quality Loose	200	200	Unch
	Aligarh	Mill Quality Loose	Closed	400	-
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	200	200	Unch

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

Wheat Products Delhi	10-Oct-18	09-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: 09.10.2018					
Contract Month	Open	High	Low	Close	Change
18-Dec	513.50	520.50	511.25	515.00	1.00
19-Mar	533.50	540.00	531.25	535.25	1.25
19-May	543.25	550.00	542.25	546.25	2.00
19-Jul	549.00	554.75	547.75	552.00	2.50
19-Sep	561.25	566.75	561.00	564.50	2.00
19-Dec	578.75	584.00	578.00	581.00	1.25

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