

Wheat Domestic Fundamentals:

Wheat prices remained unchanged due to steady demand and arrivals. Market is expected to trade steady to firm due to low imports and festive demand. Wheat mill delivery at Lawrence Road is likely to touch Rs 2090-2100 per quintal in coming weeks which is currently hovering around Rs 2050 per quintal.

As per trade sources imported wheat from various origins to Tuticorin port witnessed weak tone in the week. As of now Ukrainian wheat is being quoted at Rs 2175-2185 per quintal. Australian Standard Wheat (ASW) and Australian Premium Wheat (APW) are not available in domestic market. Stock of imported wheat is very low.

As per latest update, wheat has been sown in 18000 hectares so far against 2000 hectares a year ago. Sowing is in initial phase and is likely to pick up in next 10-15 days. Wheat acreage is expected to remain higher this year due to increase in MSP.

All India weekly average prices decreased by 0.79 percent to Rs. 2018.69 per quintal during the week ended 23rd October 2018. Wheat average price were ruling at Rs 2034.69 per quintal during 09-15 October 2018. As compared to prices in the week 16-23 October 2017, the prices are firm by 4.18 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 1000 tonnes of milling wheat from Pakistan at \$ 318.53 per tonne (Including import duty) in the month of September-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 per trade source, India has exported around 2.80 thousand tonnes in the month of September compared to 1.90 thousand tonnes in August. The quantity in September was exported at an average FOB of \$ 381.68 per tonne and the major destinations were Nepal, UAE, Sri Lanka and New Zealand. 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 148.6 in August -2018 to 149.8 in September-2018. Monthly wheat inflation has increased by 0.81 percent in September -2018 compared to previous month. As compared to September-2017 wheat WPI has increased by around 8.87 percent. Wheat WPI is expected to stay steady to slightly firm in coming months.

India mainly imports from Australia and Russia. Wheat prices have become firm in both the countries due to lower production. As of now, Russian wheat with 12.5 percent protein content and Australian premium wheat (APW) is being quoted at \$340 (Rs 25040) per tonne and \$367 (Rs 27000) per tonne respectively, after including freight and import duty @30%. Whereas wheat mill quality price in South India is ruling around Rs 23500-24000 per tonne.

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.

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:

Egypt's state grains buyer, GASC has purchased 470000 tonnes of wheat for shipment during 11-20 December. Of the total quantity 350000 tonnes was Russian wheat, 60000 tonnes was Ukrainian wheat and 60000 tonnes was U.S. wheat. ECTP offered 55000 tonnes of Russian wheat at FoB \$230.00 per tonne, GTCS offered 120000 tonnes of Russian wheat at FoB \$234.99 per tonne, Cargill offered 55000 tonnes of Russian wheat at FoB \$234.27 per tonne, Daewoo offered 60000 tonnes of Russian wheat at FoB \$234.99 per tonne, Aston offered 60000 tonnes of Russian wheat at FoB \$234.99 per tonne, Louis Dreyfus offered 60000 tonnes of Ukrainian wheat at FoB \$234.58 per tonne and Cargill offered 6000 tonnes of U.S. soft red wheat at FoB \$218.50 per tonne.

Russian milling wheat prices became weak by \$4-5 per tonne at Novorossiysk and \$2 per tonne at Odessa compared to last week. Wheat prices were weak due to strong ruble and higher dollar. As per USDA, Russia is expected to produce 70.00 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 \$226.00-230.00/tonne and milling wheat with 12.5% protein content at Odessa is being quoted at FoB \$224.00-230.00/tonne.

Morocco will suspend import duty on wheat during from 01st November-31st December'18 and a duty of 30 percent will be applicable from 01st January'19. This step has been taken to increase supply and avoid price hikes in domestic market.

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

Wheat Futures Contact: NCDEX Price							Date: 31.10.2018 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-Nov	0	2041	2041	2041	2041	0	0	600	0
18-Dec	0	2053	2053	2053	2053	0	0	80	0
19-Jan	0	2098	2098	2098	2098	0	0	0	0

Spread	Nov-18	Dec-18	Jan-19
Spot Narela			
18-Nov	18		
18-Dec		12	
19-Jan			45

Stocks	Demat	In-Process	Total	EDD
	30.Oct.18	30.Oct.18	30.Oct.18	29.Oct.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	973	0	973	973
Baran	-	-	-	-

Wheat Daily Prices and Arrivals on 31.10.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			31-Oct-18	30-Oct-18	
Delhi	Lawrence Road	Mill Delivery	2045	2045	Unch
	Narella	Mill Quality Loose	Closed	2023	-
	Nazafgarh	Mill Quality Loose	Closed	1970	-
Gujarat	Rajkot	Mill Delivery	1950	1960	-10
	Ahmedabad	Mill Delivery	2130	2130	Unch
	Surat	Mill Delivery	2170	2165	5
	Dhrol	Mill Quality Loose	Closed	2075	-
M.P.	Indore	Mill Delivery	2000	2000	Unch
	Bhopal	Mill Quality Loose	1950	1925	25
Rajasthan	Kota	Mill Quality Loose	1900	1900	Unch
		Mill Delivery	2020	2020	Unch
U.P.	Kanpur	Mill Delivery	1980	1980	Unch
	Mathura	Mill Quality Loose	NA	NA	-
	Kosi	Mill Quality Loose	1870	1850	20
	Hathras	Mill Quality Loose	1875	1910	-35
	Aligarh	Mill Quality Loose	Closed	1830	-
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1850	1850	Unch
	Hodal	Mill Delivery	NA	NA	-

	Bhiwani	Mill Quality Loose	1925	1925	Unch
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2300	2300	Unch
	Madurai	Mill Quality	2357	2357	Unch
	Coimbatore	Mill Quality	2357	2357	Unch
Bihar	Khagariya	Mill Delivery	1900	1900	Unch
	Muzaffarpur	Mill Delivery	2000	2000	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			31-Oct-18	30-Oct-18	
Gujarat	Rajkot	Lokwan	2150	2150	Unch
M.P.	Indore	Lokwan	2300	2300	Unch
	Bhopal	Lokwan	2100	2100	Unch
	Bina	Sarbati 306	Closed	2900	-
Rajasthan	Kota	Lokwan Bilty	2100	2100	Unch
	Baran	Lokwan	NA	NR	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			31-Oct-18	30-Oct-18	
Delhi	Lawrence Road	Mill Delivery	9000	8000	1000
	Narella	Mill Quality Loose	Closed	400	-
	Nazafgarh	Mill Quality Loose	Closed	520	-
Gujarat	Rajkot	Mill Quality Loose	400	400	Unch
	Dhrol	Mill Quality Loose	Closed	16	-
M.P.	Indore	Mill Quality Loose	1500	2000	-500
Rajasthan	Kota	Mill Quality	3000	2500	500
U.P.	Kanpur	Mill Quality Loose	300	500	-200
	Mathura	Mill Quality Loose	NA	NA	-
	Kosi	Mill Quality Loose	16	30	-14
	Hathras	Mill Quality Loose	600	350	250
	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	100	100
	Hodal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	300	400	-100

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

Wheat Products Delhi	31-Oct-18	30-Oct-18	Change
Atta (50kg) Ordinary	1135	1135	Unch
Maida Grade 1 (50KG)	1200	1200	Unch
Suji (50kg)	1260	1260	Unch
Chokar (50 kg)	925	925	Unch
Chokar (34 kg)	630	630	Unch
Chakki Atta (50kg)	1190	1190	Unch
Chakki Atta (50kg) Special	1215	1215	Unch
Chakki Atta (90kg) Superfine	2205	2205	Unch
Chakki Atta (50kg) Superfine	1225	1225	Unch

Wheat (CBOT) Future Price: 30.10.2018					
Contract Month	Open	High	Low	Close	Change
18-Dec	505.50	507.50	497.00	499.75	-7.50
19-Mar	524.50	525.75	514.25	517.50	-8.50
19-May	537.00	538.00	526.75	530.00	-8.25
19-Jul	542.75	544.75	533.25	536.50	-8.25
19-Sep	554.00	555.75	545.50	548.75	-7.50
19-Dec	568.50	570.50	560.75	564.25	-7.25

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2018 Indian Agribusiness Systems Ltd.