

Wheat Domestic Fundamentals:

Wheat future November contract closed at Rs 2048 per quintal after increasing by Rs 18 per quintal. Stock of imported wheat from Black sea region and Australia is negligible. Fresh import is also highly unlikely as wheat in domestic market is cheaper compared to wheat imported from Russia, Ukraine or Australia. Furthermore, ample stock is available with government as well as private trade to meet domestic demand. Prices are likely to stay firm in near future.

India mainly imports from Australia and Russia. Wheat prices remained steady to slightly weak in both the countries during last week. As of now, Russian wheat with 12.5 percent protein content and Australian premium wheat (APW) is being quoted at \$332 (Rs 24000) per tonne and \$358 (Rs 25930) per tonne respectively, after including freight and import duty @30%. Local expenses will further add to cost. Whereas wheat mill quality price in Chennai and Coimbatore is ruling around Rs 23800-24000 per tonne and Rs 25000-25400 per tonne respectively.

All India weekly average prices decreased by 1.01 percent to Rs. 2040.39 per quintal during the week ended 08th November 2018. Wheat average price were ruling at Rs 2061.27 per quintal during 24-31 October 2018. As compared to prices in the week 01-08 November 2017, the prices are firm by 8.09 percent. Prices are expected to remain firm in coming days due to good domestic demand and low imports.

According to latest update, area sown until 07th November'18 is 15.19 lakh hectares compared to 12.65 lakh hectares in the previous Rabi season. Sowing has started in all major wheat producing states. The normal area is 304.39 lakh hectares. Acreage is expected to be higher this Rabi season due to increase in MSP by Rs 105 per quintal for MY 2018-19.

Government has offered 28887160 tonnes of wheat in OMSS since July until third tender in October out of which 1855850 tonnes was sold. Total numbers of rakes sold were 29. State government and bulk consumers bought 289700 tonnes and 1489350 tonnes of wheat respectively. 76850 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 prices will be Rs 1925 per quintal and Rs 1950 per quintal respectively.

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.

Previous Updates:

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.

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 weak by \$2-3per tonne at Novorossiysk and \$2-5 per tonne at Odessa compared to last week. Wheat prices were weak due to strong ruble and low demand. 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 \$220.00-226.00/tonne and milling wheat with 12.5% protein content at Odessa is being quoted at FoB \$220.00-226.00/tonne.

As per latest update, Japan's ministry of agriculture bought 121488 MT of food quality wheat from United States and Canada. Around 60728 MT has been bought from United States and 60760 MT of western red spring has been bought from Canada. Shipments from United States and Canada will be loaded between Dec 21-2018 and Jan 20-2019.

As per latest update, Ukrainian wheat exports are expected to be lower for 2018-19 due to lower production. During July- Oct'18 Ukraine exported 7.54 MMT of wheat compared to 8.07 MMT last year in the same period.

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: 12.11.2018 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	-26	2104	2104	2022	2022	100	-270	250	-80
18-Dec	0	2099	2101	2065	2075	250	150	270	80
19-Jan	0	2100	2100	2100	2100	0	0	0	0

Spread	Nov-18	Dec-18	Jan-19
Spot Narela			
18-Nov	22		
18-Dec		53	
19-Jan			25

Stocks	Demat	In-Process	Total	EDD
	10.Nov.18	10.Nov.18	10.Nov.18	05.Nov.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	774	0	774	973
Baran	-	-	-	-

Wheat Daily Prices and Arrivals on 12.11.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			12-Nov-18	10-Nov-18	
Delhi	Lawrence Road	Mill Delivery	2050	2045	5
	Narella	Mill Quality Loose	2000	2040	-40
	Nazafgarh	Mill Quality Loose	1970	1960	10
Gujarat	Rajkot	Mill Delivery	1975	Closed	-
	Ahmedabad	Mill Delivery	2130	Closed	-
	Surat	Mill Delivery	2170	Closed	-
	Dhrol	Mill Quality Loose	2355	Closed	-
M.P.	Indore	Mill Delivery	1975	Closed	-
	Bhopal	Mill Quality Loose	1950	Closed	-
Rajasthan	Kota	Mill Quality Loose	1920	Closed	-
		Mill Delivery	2030	Closed	-
U.P.	Kanpur	Mill Delivery	1980	Closed	-
	Mathura	Mill Quality Loose	NA	NA	-
	Kosi	Mill Quality Loose	NA	Closed	-
	Hathras	Mill Quality Loose	1910	Closed	-
	Aligarh	Mill Quality Loose	1810	1840	-30
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1860	1860	Unch
	Hodal	Mill Delivery	1850	NA	-

	Bhiwani	Mill Quality Loose	1950	1960	-10
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2480	Closed	-
	Madurai	Mill Quality	2537	Closed	-
	Coimbatore	Mill Quality	2537	Closed	-
Bihar	Khagariya	Mill Delivery	2000	2000	Unch
	Muzaffarpur	Mill Delivery	2000	2000	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	Closed	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	Closed	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			12-Nov-18	10-Nov-18	
Gujarat	Rajkot	Lokwan	2150	Closed	-
M.P.	Indore	Lokwan	2300	Closed	-
	Bhopal	Lokwan	2100	Closed	-
	Bina	Sarbati 306	2950	Closed	-
Rajasthan	Kota	Lokwan Bilty	2150	Closed	-
	Baran	Lokwan	NA	closed	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			12-Nov-18	10-Nov-18	
Delhi	Lawrence Road	Mill Delivery	3000	2000	1000
	Narella	Mill Quality Loose	300	400	-100
	Nazafgarh	Mill Quality Loose	100	50	50
Gujarat	Rajkot	Mill Quality Loose	500	Closed	-
	Dhrol	Mill Quality Loose	15	Closed	-
M.P.	Indore	Mill Quality Loose	1500	Closed	-
Rajasthan	Kota	Mill Quality	4000	Closed	-
U.P.	Kanpur	Mill Quality Loose	500	Closed	-
	Mathura	Mill Quality Loose	NA	NA	-
	Kosi	Mill Quality Loose	NA	Closed	-
	Hathras	Mill Quality Loose	250	Closed	-
	Aligarh	Mill Quality Loose	400	500	-100
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	30	NA	-
	Bhiwani	Mill Quality Loose	600	400	200

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

Wheat Products Delhi	12-Nov-18	10-Nov-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: 09.11.2018					
Contract Month	Open	High	Low	Close	Change
18-Dec	507.50	508.00	500.75	502.00	-5.75
19-Mar	518.25	519.50	511.50	512.25	-7.50
19-May	529.00	530.00	516.50	519.50	-10.75
19-Jul	538.25	539.50	519.75	526.00	-13.75
19-Sep	551.00	551.00	531.50	537.75	-14.00
19-Dec	566.25	566.50	547.25	553.50	-13.75

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.