

Wheat Domestic Fundamentals:

As per trade source, India has exported around 5.09 thousand tonnes in the month of October compared to 2.80 thousand tonnes in September. The quantity in October was exported at an average FOB of \$ 315.91 per tonne and the major destinations were Nepal, UAE and Bahrain. Exports are likely to be at lower side as other countries are able to provide quality wheat at competitive prices.

All India weekly average prices increased by 3.60 percent to Rs. 2113.76 per quintal during the week ended 15th November 2018. Wheat average price were ruling at Rs 2040.39 per quintal during 01-08 November 2018. As compared to prices in the week 09-15 November 2017, the prices are firm by 11.20 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 15th November'18 is 51.63 lakh hectares compared to 54.28 lakh hectares in the previous Rabi season. Sowing has started in all major wheat producing states. The normal area is 306.26 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.

Wheat WPI has increased from 149.8 in September-2018 to 151.1 in October-2018. Monthly wheat inflation has increased by 0.87 percent in October -2018 compared to previous month. As compared to October -2017 wheat WPI has increased by around 9.49 percent. Wheat WPI is expected to stay steady to slightly firm in coming months.

As per latest update, wheat stock in central pool as on 1st November'18 stood at 331.35 lakh tonnes down by 6.99% compared to last month. This quantity is higher by around 38.93% compared to last year for the same month. Government has already applied import duty on wheat to curb imports and provide support to domestic prices. The stock position as on 01st November'18 is highest in last four years. Therefore, government has abundant supplies this year to tackle any unexpected rise in wheat prices by selling more quantity in open market.

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.

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:

As per Russia's agriculture ministry, Russia is expected to export 34-35 MMT of wheat during 2018-19 compared to its previous forecast of 33-34 MMT. Total grain exports are expected to be around 38-39 MMT. Low production in Australia is one of the main reasons for increase in exports from Russia.

Russian milling wheat prices became weak by \$1-3 per tonne at Novorossiysk and \$0-2 per tonne at Odessa compared to last week. Wheat prices were weak due to low export demand and increased competition among exporters. 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 \$223.00-227.00/tonne and milling wheat with 12.5% protein content at Odessa is being quoted at FoB \$222.00-226.00/tonne.

As per latest update, Japan's ministry of agriculture bought 120226 MT of food quality wheat from United States, Australia and Canada. Around 50327 MT has been bought from United States, 35549 MT of western red spring has been bought from Canada and 34350 MT has been bought from Australia. 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.

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

Wheat Futures Contract: NCDEX Price							Date: 21.11.2018 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-Dec	13	2076	2109	2076	2100	70	60	270	-10
19-Jan	0	2126	2126	2126	2126	0	0	0	0
19-Feb	0	2166	2166	2166	2166	0	0	0	0

Spread	Dec-18	Jan-19	Feb-19
Spot Narela			
18-Dec	100		
19-Jan		26	
19-Feb			40

Stocks	Demat	In-Process	Total	EDD
	20.Nov.18	20.Nov.18	20.Nov.18	19.Nov.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	715	0	715	774
Baran	-	-	-	-

Wheat Daily Prices and Arrivals on 21.11.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			21-Nov-18	20-Nov-18	
Delhi	Lawrence Road	Mill Delivery	2055	2060	-5
	Narella	Mill Quality Loose	Closed	2000	-
	Nazafgarh	Mill Quality Loose	Closed	1950	-
Gujarat	Rajkot	Mill Delivery	2000	2005	-5
	Ahmedabad	Mill Delivery	2150	2160	-10
	Surat	Mill Delivery	2200	2210	-10
	Dhrol	Mill Quality Loose	2275	2200	75
M.P.	Indore	Mill Delivery	NA	NA	-
	Bhopal	Mill Quality Loose	2000	2000	Unch
Rajasthan	Kota	Mill Quality Loose	1970	1925	45
		Mill Delivery	2050	2050	Unch
U.P.	Kanpur	Mill Delivery	1980	1980	Unch
	Mathura	Mill Quality Loose	NA	1780	-
	Kosi	Mill Quality Loose	NA	1900	-
	Hathras	Mill Quality Loose	1925	1925	Unch
	Aligarh	Mill Quality Loose	Closed	1820	-
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1865	1865	Unch
	Hodal	Mill Delivery	NA	NA	-

	Bhiwani	Mill Quality Loose	1940	1940	Unch
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2400	2350	50
	Madurai	Mill Quality	2457	2407	50
	Coimbatore	Mill Quality	2457	2407	50
Bihar	Khagariya	Mill Delivery	2000	2000	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
			21-Nov-18	20-Nov-18	
Gujarat	Rajkot	Lokwan	2200	2250	-50
M.P.	Indore	Lokwan	NA	NA	-
	Bhopal	Lokwan	2200	2200	Unch
	Bina	Sarbati 306	2925	2925	Unch
Rajasthan	Kota	Lokwan Bilty	2150	2200	-50
	Baran	Lokwan	NA	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			21-Nov-18	20-Nov-18	
Delhi	Lawrence Road	Mill Delivery	7000	6000	1000
	Narella	Mill Quality Loose	Closed	300	-
	Nazafgarh	Mill Quality Loose	Closed	100	-
Gujarat	Rajkot	Mill Quality Loose	400	500	-100
	Dhrol	Mill Quality Loose	12	15	-3
M.P.	Indore	Mill Quality Loose	NA	NA	-
Rajasthan	Kota	Mill Quality	1500	1500	Unch
U.P.	Kanpur	Mill Quality Loose	500	500	Unch
	Mathura	Mill Quality Loose	NA	70	-
	Kosi	Mill Quality Loose	NA	30	-
	Hathras	Mill Quality Loose	150	150	Unch
	Aligarh	Mill Quality Loose	Closed	300	-
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	50	40	10
	Bhiwani	Mill Quality Loose	400	400	Unch

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

Wheat Products Delhi	21-Nov-18	20-Nov-18	Change
Atta (50kg) Ordinary	1145	1145	Unch
Maida Grade 1 (50KG)	1210	1210	Unch
Suji (50kg)	1270	1270	Unch
Chokar (50 kg)	920	920	Unch
Chokar (34 kg)	625	625	Unch
Chakki Atta (50kg)	1200	1200	Unch
Chakki Atta (50kg) Special	1225	1225	Unch
Chakki Atta (90kg) Superfine	2225	2225	Unch
Chakki Atta (50kg) Superfine	1235	1235	Unch

Wheat (CBOT) Future Price: 20.11.2018					
Contract Month	Open	High	Low	Close	Change
18-Dec	497.50	502.50	495.50	500.75	2.25
19-Mar	505.50	509.75	503.75	508.50	2.00
19-May	513.00	516.00	511.75	515.25	1.75
19-Jul	521.25	524.50	520.50	523.75	1.50
19-Sep	533.00	535.50	532.00	534.75	1.00
19-Dec	548.00	551.50	546.75	549.50	0.75

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