

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 latest update, Japan's ministry of agriculture bought 99462 MT of food quality wheat from United States and Canada. Around 64000 MT has been bought from United States and 35462 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.

Russian milling wheat prices became weak by \$2-3 per tonne at Novorossiysk and \$1-2 per tonne at Odessa compared to last week. Wheat prices were firm due to good demand, supply shortage and logistical difficulties. 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 \$225.00-230.00/tonne and milling wheat with 12.5% protein content at Odessa is being quoted at FoB \$223.00-228.00/tonne.

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.

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 Contact: NCDEX Price							Date: 22.11.2018 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	0	2101	2109	2076	2101	10	-60	270	0
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	61		
19-Jan		25	
19-Feb			40

Stocks	Demat	In-Process	Total	EDD
	21.Nov.18	21.Nov.18	21.Nov.18	19.Nov.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	715	0	715	774
Baran	-	-	-	-

Wheat Daily Prices and Arrivals on 22.11.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			22-Nov-18	21-Nov-18	
Delhi	Lawrence Road	Mill Delivery	2060	2055	5
	Narella	Mill Quality Loose	2040	Closed	-
	Nazafgarh	Mill Quality Loose	1950	Closed	-
Gujarat	Rajkot	Mill Delivery	2010	2000	10
	Ahmedabad	Mill Delivery	2160	2150	10
	Surat	Mill Delivery	2210	2200	10
	Dhrol	Mill Quality Loose	2225	2275	-50
M.P.	Indore	Mill Delivery	NA	NA	-
	Bhopal	Mill Quality Loose	2030	2000	30
Rajasthan	Kota	Mill Quality Loose	1925	1970	-45
		Mill Delivery	2050	2050	Unch
U.P.	Kanpur	Mill Delivery	1980	1980	Unch
	Mathura	Mill Quality Loose	NA	NA	-
	Kosi	Mill Quality Loose	1900	NA	-
	Hathras	Mill Quality Loose	1915	1925	-10
	Aligarh	Mill Quality Loose	1800	Closed	-
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	2400	Unch
	Madurai	Mill Quality	2457	2457	Unch
	Coimbatore	Mill Quality	2457	2457	Unch
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
			22-Nov-18	21-Nov-18	
Gujarat	Rajkot	Lokwan	2250	2200	50
M.P.	Indore	Lokwan	NA	2350	-
	Bhopal	Lokwan	2200	2200	Unch
	Bina	Sarbati 306	2925	2925	Unch
Rajasthan	Kota	Lokwan Bilty	2150	2150	Unch
	Baran	Lokwan	NA	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			22-Nov-18	21-Nov-18	
Delhi	Lawrence Road	Mill Delivery	4500	7000	-2500
	Narella	Mill Quality Loose	300	Closed	-
	Nazafgarh	Mill Quality Loose	100	Closed	-
Gujarat	Rajkot	Mill Quality Loose	500	400	100
	Dhrol	Mill Quality Loose	13	12	1
M.P.	Indore	Mill Quality Loose	NA	NA	-
Rajasthan	Kota	Mill Quality	2000	1500	500
U.P.	Kanpur	Mill Quality Loose	500	500	Unch
	Mathura	Mill Quality Loose	NA	NA	-
	Kosi	Mill Quality Loose	35	NA	-
	Hathras	Mill Quality Loose	300	150	150
	Aligarh	Mill Quality Loose	300	Closed	-
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	50	Unch
	Bhiwani	Mill Quality Loose	400	400	Unch

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

Wheat Products Delhi	22-Nov-18	21-Nov-18	Change
Atta (50kg) Ordinary	1150	1145	5
Maida Grade 1 (50KG)	1230	1210	20
Suji (50kg)	1300	1270	30
Chokar (50 kg)	925	920	5
Chokar (34 kg)	630	625	5
Chakki Atta (50kg)	1250	1200	50
Chakki Atta (50kg) Special	1275	1225	50
Chakki Atta (90kg) Superfine	2315	2225	90
Chakki Atta (50kg) Superfine	1285	1235	50

Wheat (CBOT) Future Price: 21.11.2018					
Contract Month	Open	High	Low	Close	Change
18-Dec	500.50	504.25	497.75	498.75	-2.00
19-Mar	508.00	512.00	504.75	506.75	-1.75
19-May	515.50	518.25	511.50	513.25	-2.00
19-Jul	523.25	526.50	520.00	521.50	-2.25
19-Sep	534.00	537.50	531.25	532.25	-2.50
19-Dec	549.25	551.50	545.75	546.75	-2.75

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