

Wheat Domestic Fundamentals:

All India weekly average prices increased by 1.90 percent to Rs. 2153.98 per quintal during the week ended 23rd November 2018. Wheat average price were ruling at Rs 2113.76 per quintal during 09-15 November 2018. As compared to prices in the week 16-23 November 2017, the prices are firm by 19.14 percent. Prices are expected to remain firm in coming days due to good domestic demand and low imports.

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 October-2018. Imports are expected to be low this year due to good domestic availability and increase in import duty. India has imported around 1000 tonnes in the month of September-2018.

According to latest update, area sown until 22nd November'18 is 111.96 lakh hectares compared to 110.69 lakh hectares in the previous Rabi season. 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.

Government has offered 39886860 tonnes of wheat in OMSS since July until third tender in November out of which 2643550 tonnes was sold. Total numbers of rakes sold were 42. State government and bulk consumers bought 370750 tonnes and 2161550 tonnes of wheat respectively. 111300 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 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.

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 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:

Turkey's state grains board, TMO has purchased 180000 tonnes of wheat in a tender that closed on Friday. Of the total quantity 105000 tonnes was sold by Hakan Agro, 30000 tonnes was sold by Solaris, 15000 tonnes was sold by Tekirdag, 15000 tonnes was sold by Trabzon, 7500 tonnes was sold by Tradefield and 7500 tonnes was sold by Bandirma.

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.

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

Wheat Futures Contact: NCDEX Price							Date: 26.11.2018 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	-	-	-	-	-	-	-	-	-
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	-		
19-Jan		-	
19-Feb			40

Stocks	Demat	In-Process	Total	EDD
	24.Nov.18	24.Nov.18	24.Nov.18	19.Nov.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	715	0	715	774
Baran	-	-	-	-

Wheat Daily Prices and Arrivals on 26.11.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			26-Nov-18	24-Nov-18	
Delhi	Lawrence Road	Mill Delivery	2050	2060	-10
	Narella	Mill Quality Loose	2030	2040	-10
	Nazafgarh	Mill Quality Loose	2000	1950	50
Gujarat	Rajkot	Mill Delivery	2010	2010	Unch
	Ahmedabad	Mill Delivery	2160	2160	Unch
	Surat	Mill Delivery	2210	2200	10
	Dhrol	Mill Quality Loose	2200	2200	Unch
M.P.	Indore	Mill Delivery	Closed	1980	-
	Bhopal	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality Loose	1950	1950	Unch
		Mill Delivery	2060	2060	Unch
U.P.	Kanpur	Mill Delivery	1980	1980	Unch
	Mathura	Mill Quality Loose	1750	NA	-
	Kosi	Mill Quality Loose	1880	1870	10
	Hathras	Mill Quality Loose	1910	1915	-5
	Aligarh	Mill Quality Loose	1820	1800	20
Punjab	Khanna	Mill Quality Loose	NA	Closed	-
	Ludhiana (Jagraon)	Mill Delivery	NA	Closed	-
Haryana	Sirsa	Mill Delivery loose	1870	1870	Unch
	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	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
			26-Nov-18	24-Nov-18	
Gujarat	Rajkot	Lokwan	2200	2200	Unch
M.P.	Indore	Lokwan	Closed	2350	-
	Bhopal	Lokwan	Closed	Closed	-
	Bina	Sarbati 306	Closed	2950	-
Rajasthan	Kota	Lokwan Bilty	2150	2150	Unch
	Baran	Lokwan	NA	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			26-Nov-18	24-Nov-18	
Delhi	Lawrence Road	Mill Delivery	1500	4000	-2500
	Narella	Mill Quality Loose	500	400	100
	Nazafgarh	Mill Quality Loose	50	50	Unch
Gujarat	Rajkot	Mill Quality Loose	600	700	-100
	Dhrol	Mill Quality Loose	15	11	4
M.P.	Indore	Mill Quality Loose	Closed	1000	-
Rajasthan	Kota	Mill Quality	2000	2000	Unch
U.P.	Kanpur	Mill Quality Loose	500	500	Unch
	Mathura	Mill Quality Loose	60	NA	-
	Kosi	Mill Quality Loose	32	60	-28
	Hathras	Mill Quality Loose	50	30	20
	Aligarh	Mill Quality Loose	150	500	-350
Punjab	Khanna	Mill Quality Loose	NA	Closed	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	Closed	-
Haryana	Sirsa	Mill Quality Loose	200	300	-100
	Hodal	Mill Quality Loose	70	80	-10
	Bhiwani	Mill Quality Loose	400	300	100

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

Wheat Products Delhi	26-Nov-18	24-Nov-18	Change
Atta (50kg) Ordinary	1150	1150	Unch
Maida Grade 1 (50KG)	1230	1230	Unch
Suji (50kg)	1300	1300	Unch
Chokar (50 kg)	925	925	Unch
Chokar (34 kg)	630	630	Unch
Chakki Atta (50kg)	1250	1250	Unch
Chakki Atta (50kg) Special	1275	1275	Unch
Chakki Atta (90kg) Superfine	2315	2315	Unch
Chakki Atta (50kg) Superfine	1285	1285	Unch

Wheat (CBOT) Future Price: 23.11.2018					
Contract Month	Open	High	Low	Close	Change
18-Dec	500.75	507.50	499.00	499.75	1.00
19-Mar	509.00	516.00	506.50	507.25	0.50
19-May	515.00	521.75	512.00	513.00	-0.25
19-Jul	523.00	529.00	519.25	520.25	-1.25
19-Sep	534.25	539.25	530.00	531.00	-1.25
19-Dec	547.00	553.00	544.50	545.25	-1.50

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