

**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: 27.11.2018 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                   | 2094 | 2100 | 2080 | 2080  | 80     | 80                          | 270 | 270                   |
| 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      | 40     |        |        |
| 19-Jan      |        | 46     |        |
| 19-Feb      |        |        | 40     |

| Stocks | Demat     | In-Process | Total     | EDD       |
|--------|-----------|------------|-----------|-----------|
|        | 26.Nov.18 | 26.Nov.18  | 26.Nov.18 | 26.Nov.18 |
| Delhi  | -         | -          | -         | -         |
| Itarsi | -         | -          | -         | -         |
| Kanpur | -         | -          | -         | -         |
| Kota   | 715       | 0          | 715       | 715       |
| Baran  | -         | -          | -         | -         |

## Wheat Daily Prices and Arrivals on 27.11.2018

| Centre    | Market             | Variety             | Prices (Rs/Qtl) |           | Change |
|-----------|--------------------|---------------------|-----------------|-----------|--------|
|           |                    |                     | 27-Nov-18       | 26-Nov-18 |        |
| Delhi     | Lawrence Road      | Mill Delivery       | 2060            | 2050      | 10     |
|           | Narella            | Mill Quality Loose  | 2040            | 2030      | 10     |
|           | Nazafgarh          | Mill Quality Loose  | 2000            | 2000      | Unch   |
| Gujarat   | Rajkot             | Mill Delivery       | 2015            | 2010      | 5      |
|           | Ahmedabad          | Mill Delivery       | 2160            | 2160      | Unch   |
|           | Surat              | Mill Delivery       | 2210            | 2210      | Unch   |
|           | Dhrol              | Mill Quality Loose  | 2175            | 2200      | -25    |
| M.P.      | Indore             | Mill Delivery       | Closed          | Closed    | -      |
|           | 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  | 1760            | 1750      | 10     |
|           | Kosi               | Mill Quality Loose  | 1900            | 1880      | 20     |
|           | Hathras            | Mill Quality Loose  | 1915            | 1910      | 5      |
|           | Aligarh            | Mill Quality Loose  | 1820            | 1820      | Unch   |
| Punjab    | Khanna             | Mill Quality Loose  | NA              | NA        | -      |
|           | Ludhiana (Jagraon) | Mill Delivery       | NA              | NA        | -      |
| Haryana   | Sirsa              | Mill Delivery loose | 1873            | 1870      | 3      |
|           | 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      | 1975 | 2000 | -25  |
| FOR        | Kandla (Rajasthan-Rajkot)     | Mill Quality       | NA   | NA   | -    |
|            | Gandhidham (Rajasthan-Rajkot) | Mill Quality       | NA   | NA   | -    |

| Centre    | Market | Variety      | Prices (Rs/Qtl) |           | Change |
|-----------|--------|--------------|-----------------|-----------|--------|
|           |        |              | 27-Nov-18       | 26-Nov-18 |        |
| Gujarat   | Rajkot | Lokwan       | 2150            | 2200      | -50    |
| M.P.      | Indore | Lokwan       | Closed          | Closed    | -      |
|           | Bhopal | Lokwan       | Closed          | Closed    | -      |
|           | Bina   | Sarbati 306  | Closed          | Closed    | -      |
| Rajasthan | Kota   | Lokwan Bilty | 2150            | 2150      | Unch   |
|           | Baran  | Lokwan       | NA              | NA        | -      |

### Wheat Arrivals in Key Centers:

| Centre    | Market            | Variety            | Arrivals (Bags/Qtl) |           | Change |
|-----------|-------------------|--------------------|---------------------|-----------|--------|
|           |                   |                    | 27-Nov-18           | 26-Nov-18 |        |
| Delhi     | Lawrence Road     | Mill Delivery      | 5000                | 1500      | 3500   |
|           | Narella           | Mill Quality Loose | 300                 | 500       | -200   |
|           | Nazafgarh         | Mill Quality Loose | 40                  | 50        | -10    |
| Gujarat   | Rajkot            | Mill Quality Loose | 500                 | 600       | -100   |
|           | Dhrol             | Mill Quality Loose | 12                  | 15        | -3     |
| M.P.      | Indore            | Mill Quality Loose | Closed              | Closed    | -      |
| Rajasthan | Kota              | Mill Quality       | 3000                | 2000      | 1000   |
| U.P.      | Kanpur            | Mill Quality Loose | 400                 | 500       | -100   |
|           | Mathura           | Mill Quality Loose | 60                  | 60        | Unch   |
|           | Kosi              | Mill Quality Loose | 22                  | 32        | -10    |
|           | Hathras           | Mill Quality Loose | 80                  | 50        | 30     |
|           | Aligarh           | Mill Quality Loose | 150                 | 150       | Unch   |
| 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                  | 70        | -20    |
|           | Bhiwani           | Mill Quality Loose | 600                 | 400       | 200    |

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

| Wheat Products Delhi         | 27-Nov-18 | 26-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: 26.11.2018 |        |        |        |        |        |
|---------------------------------------|--------|--------|--------|--------|--------|
| Contract Month                        | Open   | High   | Low    | Close  | Change |
| 18-Dec                                | 503.00 | 508.00 | 501.75 | 507.50 | 7.75   |
| 19-Mar                                | 510.00 | 514.25 | 509.00 | 514.00 | 6.75   |
| 19-May                                | 515.50 | 519.25 | 514.75 | 518.75 | 5.75   |
| 19-Jul                                | 522.25 | 525.75 | 521.75 | 525.00 | 4.75   |
| 19-Sep                                | 533.00 | 536.50 | 532.25 | 534.75 | 3.75   |
| 19-Dec                                | 548.25 | 550.50 | 546.25 | 548.75 | 3.50   |

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