

**Wheat Domestic Fundamentals:**

**Wheat prices are expected to stay firm** in near future due to good domestic demand, lean season and low imports. Normal firmness can be expected in the market during upcoming festive season. There is no problem at supply side due to ample availability.

**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.

**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:**

**Russian milling wheat prices became weak by \$1 per tonne at Novorossiysk and \$1 per tonne at Odessa compared to last week.** Wheat prices were weak due to low trading activity. 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 \$224.00-231.00/tonne and milling wheat with 12.5% protein content at Odessa is being quoted at FoB \$223.00-227.00/tonne.

**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.

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

Wheat Futures Contact: NCDEX Price							Date: 29.11.2018 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	2103	2114	2099	2103	10	-150	300	0
19-Jan	0	2140	2140	2140	2140	10	-10	10	0
19-Feb	0	2177	2177	2177	2177	0	0	0	0

Spread	Dec-18	Jan-19	Feb-19
Spot Narela			
18-Dec	48		
19-Jan		37	
19-Feb			37

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 29.11.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			29-Nov-18	28-Nov-18	
Delhi	Lawrence Road	Mill Delivery	2060	2055	5
	Narella	Mill Quality Loose	2055	Closed	-
	Nazafgarh	Mill Quality Loose	1975	Closed	-
Gujarat	Rajkot	Mill Delivery	2010	2020	-10
	Ahmedabad	Mill Delivery	2160	2160	Unch
	Surat	Mill Delivery	2210	2210	Unch
	Dhrol	Mill Quality Loose	2165	2230	-65
M.P.	Indore	Mill Delivery	Closed	Closed	-
	Bhopal	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality Loose	1930	1930	Unch
		Mill Delivery	2050	2050	Unch
U.P.	Kanpur	Mill Delivery	1985	1985	Unch
	Mathura	Mill Quality Loose	1760	1760	Unch
	Kosi	Mill Quality Loose	1880	1890	-10
	Hathras	Mill Quality Loose	1905	1915	-10
	Aligarh	Mill Quality Loose	1830	Closed	-
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
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	2345	2345	Unch
	Madurai	Mill Quality	2402	2402	Unch
	Coimbatore	Mill Quality	2402	2402	Unch
Bihar	Khagariya	Mill Delivery	2000	2000	Unch
	Muzaffarpur	Mill Delivery	2000	1970	30
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			29-Nov-18	28-Nov-18	
Gujarat	Rajkot	Lokwan	2250	2200	50
M.P.	Indore	Lokwan	Closed	Closed	-
	Bhopal	Lokwan	Closed	Closed	-
	Bina	Sarbati 306	Closed	Closed	-
Rajasthan	Kota	Lokwan Bilty	2100	2100	Unch
	Baran	Lokwan	NA	NA	-

### Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			29-Nov-18	28-Nov-18	
Delhi	Lawrence Road	Mill Delivery	6000	5000	1000
	Narella	Mill Quality Loose	300	Closed	-
	Nazafgarh	Mill Quality Loose	50	Closed	-
Gujarat	Rajkot	Mill Quality Loose	400	600	-200
	Dhrol	Mill Quality Loose	11	24	-13
M.P.	Indore	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality	2500	2000	500
U.P.	Kanpur	Mill Quality Loose	500	500	Unch
	Mathura	Mill Quality Loose	50	60	-10
	Kosi	Mill Quality Loose	25	25	Unch
	Hathras	Mill Quality Loose	350	80	270
	Aligarh	Mill Quality Loose	500	Closed	-
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	300	200	100
	Hodal	Mill Quality Loose	60	80	-20
	Bhiwani	Mill Quality Loose	700	600	100

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

Wheat Products Delhi	29-Nov-18	28-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: 28.11.2018					
Contract Month	Open	High	Low	Close	Change
18-Dec	497.25	501.00	494.75	497.50	-0.50
19-Mar	506.50	513.25	505.25	511.50	5.00
19-May	512.50	520.50	512.25	519.00	6.50
19-Jul	519.50	527.75	519.50	526.25	6.75
19-Sep	530.00	537.25	529.75	535.50	6.25
19-Dec	542.50	550.50	542.50	548.25	6.00

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