

Wheat Domestic Fundamentals:

Dull trading activities witnessed in the spot markets as most of the market were closed. Wheat prices in Gujarat, MP and Rajasthan are remain steady due to absence of active traders in the market today. Prices are expected to go up as exports demand may rise in future.

As per Reuters, India may produce lower size of Wheat in 2019 followed by lower moisture levels and higher temperatures in key growing regions like Uttar Pradesh, Madhya Pradesh, and the Western state of Gujarat. Due to lower moisture level, the water supplies in the fields is the main cause therefore farmers are not able to get the efficient water through the tube wells also. As a result, prices may rise in the future which may relax to angry farmers in India. Two main state of India for growing Wheat i.e. Uttar Pradesh and Madhya Pradesh got a tenth less rainfall than normal during the June - September monsoon season in 2018. As on November 30, 2018, Indian Farmers have planted wheat near 15.3 hectares which is lower against 15.7 million hectares in the previous year during the same period of time.

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.

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.

All India weekly average prices declined by -2.31 percent to Rs. 2103 per quintal during the week ended 30 November 2018. Wheat average price were ruling at Rs 2153.17 per quintal during 16-23 November 2018. As compared to prices in the week 24-30 November 2017, the prices are firm by 10.25 percent. However, Prices are likely to move upside in coming days due to good domestic demand and low imports.

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:

As per sources, exports sales of U.S. stood at 220,000 metric tons of soft red winter wheat to Egypt in 2017/18 higher from last year's sales of 120,000 metric tons, also highest from the record of 2013/14. It shipped 64,000 metric tons of hard red winter wheat to Saudi Arabia. Prices of U.S. wheat future remain lower side in expectation of good winter wheat crop conditions and good soil moisture in the Northern Plains. Weak U.S. dollar may prompt exporters to increase their sales which may slide up U.S. wheat prices in future.

As per sources, Japan is likely to import 19,120 tonnes of feed quality wheat via a simultaneous buy and sell (SBS) auction. The ministry had sought 120,000 tonnes of feed wheat to be loaded by Feb. 8, 2019 and arrive in Japan by March 7 in the tender that is usually conducted weekly. The country is looking for same amount of feed wheat to import in upcoming auction which will be conducted on December 12, 2018.

As per the state and federal agricultural officials, farmer in Oklahoma have harvested less wheat crop by 70 Million bushel in the current year as compared to 99 million bushel in 2017 due to higher global supply, weak prices and the weather, another lucrative crop like cotton, soybean and corn. While, farmers harvested a record 136.5 million bushel in 2016. Wheat touched its highest crop size in major growing countries like U.S. Canada, France, Russia, Ukraine, Australia and Argentina as a result, demand and prices are remain down in the market.

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

Wheat Futures Contact: NCDEX Price							Date: 04.12.2018 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	+6	2104	2110	2110	2110	10	-10	280	-10
19-Jan	+46	2113	2159	2130	2159	20	0	0	0
19-Feb	0	2177	2177	2177	2177	-	0	0	0

Spread	Dec-18	Jan-19	Feb-19
Spot Narela			
18-Dec	60		
19-Jan		49	
19-Feb			18

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 05.12.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			5-Dec-18	4-Dec-18	
Delhi	Lawrence Road	Mill Delivery	2070	2070	Unch
	Narella	Mill Quality Loose	Closed	2050	-
	Nazafgarh	Mill Quality Loose	Closed	2000	-
Gujarat	Rajkot	Mill Delivery	2010	2020	-10
	Ahmedabad	Mill Delivery	2160	2170	-10
	Surat	Mill Delivery	2210	2210	Unch
	Dhrol	Mill Quality Loose	2215	2235	-20
M.P.	Indore	Mill Delivery	1970	1980	-10
	Bhopal	Mill Quality Loose	1925	1925	Unch
Rajasthan	Kota	Mill Quality Loose	1950	1980	-30
		Mill Delivery	2060	2060	Unch
U.P.	Kanpur	Mill Delivery	2005	2005	Unch
	Mathura	Mill Quality Loose	NA	1760	-
	Kosi	Mill Quality Loose	1920	1900	20
	Hathras	Mill Quality Loose	Closed	1925	-
	Aligarh	Mill Quality Loose	Closed	1830	-
Punjab	Khanna	Mill Quality Loose	1920	1940	-20
	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	2350	2340	10
	Madurai	Mill Quality	2407	2397	10
	Coimbatore	Mill Quality	2407	2397	10
Bihar	Khagariya	Mill Delivery	2000	2000	Unch
	Muzaffarpur	Mill Delivery	1970	2000	-30
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			5-Dec-18	4-Dec-18	
Gujarat	Rajkot	Lokwan	2200	2200	Unch
M.P.	Indore	Lokwan	2300	2300	Unch
	Bhopal	Lokwan	2100	2100	Unch
	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
			5-Dec-18	4-Dec-18	
Delhi	Lawrence Road	Mill Delivery	6500	6500	Unch
	Narella	Mill Quality Loose	Closed	500	-
	Nazafgarh	Mill Quality Loose	Closed	50	-
Gujarat	Rajkot	Mill Quality Loose	400	400	Unch
	Dhrol	Mill Quality Loose	15	5	10
M.P.	Indore	Mill Quality Loose	1000	1500	-500
Rajasthan	Kota	Mill Quality	1500	2000	-500
U.P.	Kanpur	Mill Quality Loose	500	500	Unch
	Mathura	Mill Quality Loose	NA	60	-
	Kosi	Mill Quality Loose	20	19	1
	Hathras	Mill Quality Loose	Closed	350	-
	Aligarh	Mill Quality Loose	Closed	400	-
Punjab	Khanna	Mill Quality Loose	500	500	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	70	65	5
	Bhiwani	Mill Quality Loose	600	300	300
	Karnal	Mill Delivery	NA	NA	-

	Panipat	Mill Quality Loose	NA	NA	-
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Wheat Products Delhi	5-Dec-18	4-Dec-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: 04.12.2018					
Contract Month	Open	High	Low	Close	Change
18-Dec	514.75	520.75	514.75	519.25	3.50
19-Mar	519.50	523.25	516.00	522.50	1.25
19-May	526.25	528.25	522.50	527.75	0.25
19-Jul	532.25	533.25	528.75	532.75	-1.00
19-Sep	541.50	541.75	538.50	541.00	-2.00
19-Dec	552.25	554.75	551.75	553.25	-3.00

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