

Wheat Domestic Fundamentals:

Mostly steady to firm trend featured in Wheat spot markets followed by rising exports demand. Arrivals are comparatively slow in the market as traders are waiting for better prices than prevailing price of the market. In India, traders are maintaining enough stocks to fulfill needs of buyers.

All India weekly average prices declined by 0.039 percent to Rs. 2093.74 per quintal during the week ended 1-6 December 2018. Wheat average price were ruling at Rs 2094.57 per quintal during 23-29 November 2018. As compared to prices in the week 1-6 December 2017, the current week prices are firm by 16.80 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 30th November'18 is 152.97 lakh hectares compared to 156.76 lakh hectares in the previous Rabi season. It is down by 15.12% against previous week record and 2.42% down from last year record during the same period of time. 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.

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 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.

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 latest update, Japan's ministry of agriculture bought 143,643 MT of food quality wheat from United States and Canada. Around 62,975 MT has been bought from United States and 59,378 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.

As per sources, The Taiwan Flour Millers' Association purchased 110,000 tonnes of milling wheat from the United States in a tender on 5th Dec 2018. The first consignment was issued between Jan. 22 and Feb. 5 including 29,795 tonnes of U.S. dark northern spring wheat of 14.5 percent protein content bought at \$259.26 a tonne FOB U.S. Pacific Northwest coast.

As per sources, Russia shipped total Wheat higher by 19.3% to 20.4 million Tonnes during the period started from 1st July 2018 to 29 November 2018 in agricultural year (2018/19) against leap year on year. Exports volume increased by 10% if compare to same period of time in 2017-18 agriculture year. The Agriculture Ministry says, Russia may export total 35 million T of Wheat in this year. While, the country had sold over 40.4 million T of wheat in previous year.

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

Wheat Futures Contact: NCDEX Price							Date: 06.12.2018 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	+20	2110	2130	2107	2130	30	10	260	-40
19-Jan	Unch	2145	2159	2130	2145	-	0	40	20
19-Feb	Unch	2180	2180	2180	2180				

Spread	Dec-18	Jan-19	Feb-19
Spot Narela			
18-Dec	80		
19-Jan		15	
19-Feb			35

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 06.12.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			6-Dec-18	5-Dec-18	
Delhi	Lawrence Road	Mill Delivery	2060	2070	-10
	Narella	Mill Quality Loose	2050	Closed	-
	Nazafgarh	Mill Quality Loose	2000	Closed	-
Gujarat	Rajkot	Mill Delivery	2020	2010	10
	Ahmedabad	Mill Delivery	2170	2160	10
	Surat	Mill Delivery	2210	2210	Unch
	Dhrol	Mill Quality Loose	2305	2215	90
M.P.	Indore	Mill Delivery	2000	1980	20
	Bhopal	Mill Quality Loose	1925	1925	Unch
Rajasthan	Kota	Mill Quality Loose	1950	1950	Unch
		Mill Delivery	2060	2060	Unch
U.P.	Kanpur	Mill Delivery	2015	2005	10
	Mathura	Mill Quality Loose	1780	NA	-
	Kosi	Mill Quality Loose	1925	1920	5
	Hathras	Mill Quality Loose	Closed	Closed	-
	Aligarh	Mill Quality Loose	1840	Closed	-
Punjab	Khanna	Mill Quality Loose	1930	1920	10
	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	2350	Unch
	Madurai	Mill Quality	2407	2407	Unch
	Coimbatore	Mill Quality	2407	2407	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
			6-Dec-18	5-Dec-18	
Gujarat	Rajkot	Lokwan	2250	2200	50
M.P.	Indore	Lokwan	2350	2300	50
	Bhopal	Lokwan	2100	2100	Unch
	Bina	Sarbati 306	2900	Closed	-
Rajasthan	Kota	Lokwan Bilty	2150	2150	Unch
	Baran	Lokwan	NA	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			6-Dec-18	5-Dec-18	
Delhi	Lawrence Road	Mill Delivery	5000	6500	-1500
	Narella	Mill Quality Loose	300	Closed	-
	Nazafgarh	Mill Quality Loose	100	Closed	-
Gujarat	Rajkot	Mill Quality Loose	500	400	100
	Dhrol	Mill Quality Loose	8	15	-7
M.P.	Indore	Mill Quality Loose	1000	1500	-500
Rajasthan	Kota	Mill Quality	1500	1500	Unch
U.P.	Kanpur	Mill Quality Loose	500	500	Unch
	Mathura	Mill Quality Loose	50	NA	-
	Kosi	Mill Quality Loose	25	20	5
	Hathras	Mill Quality Loose	Closed	Closed	-
	Aligarh	Mill Quality Loose	250	Closed	-
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	70	Unch
	Bhiwani	Mill Quality Loose	600	600	Unch
	Karnal	Mill Delivery	NA	NA	-

	Panipat	Mill Quality Loose	NA	NA	-
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Wheat Products Delhi	6-Dec-18	5-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: 05.12.2018					
Contract Month	Open	High	Low	Close	Change
18-Dec	515.00	515.50	513.25	514.50	-4.75
19-Mar	521.75	522.00	513.50	518.00	-4.50
19-May	526.50	526.50	519.50	523.25	-4.50
19-Jul	532.50	532.50	524.25	527.75	-5.00
19-Sep	540.00	540.00	533.00	536.00	-5.00
19-Dec	552.00	552.50	545.50	548.75	-4.50

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