

Wheat Domestic Fundamentals:

All India weekly average prices increased by 2.46 percent to Rs. 2168.57 per quintal during the week ended 15th February 2019. Wheat average price were ruling at Rs 2116.44 per quintal during 01-08 February 2019. As compared to prices in the week 09-15 February 2018, the prices are firm by 21.47 percent. Prices are expected to remain weak in coming days due to abundant availability in domestic market.

As per market sources, wheat stock in central pool as on 1st February'19 stood at 239.31 lakh tonnes down by 11.76% compared to last month. This quantity is higher by around 36.38% 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 February'19 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.

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 January-19. 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.

India mainly imports from Australia and Russia. Wheat prices have become weak in both the countries. As of now, Russian wheat with 12.5 percent protein content and Australian premium wheat (APW) is being quoted at \$356.20 (Rs 25450) per tonne and \$360.99 (Rs 25800) 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 24000-24500 per tonne and Rs 24500-25000 per tonne respectively

Wheat WPI has increased from 152.8 in December-2018 to 154.8 in January-2019. Monthly wheat inflation has increased by 1.31 percent in January-2019 compared to previous month. As compared to January-2018 wheat WPI has increased by around 9.94 percent. Wheat WPI is expected to stay steady to weak in coming months.

As per APEDA, India has exported 1.35 lakh tonnes of wheat during the period April-December'18 compared to 2.49 lakh tonnes during last year for the same time period. Exports are expected to stay on lower side as other countries are able to provide wheat at lower prices compared to India with assured quality.

Authorities in Haryana have advised farmers watch their crop closely for yellow rust. Higher day temperatures and lower night temperatures are conducive for yellow rust. Panchkula, Ambala, Yamunanagar, some parts of Kurukshetra and Karnal are the most-prone areas where yellow rust strikes. As of now, Overall crop condition in the state is good.

As per latest update, FSSAI has directed packaged-food companies to label 'atta' as whole wheat flour and 'maida' as refined wheat flour. This will help consumers in making informed choices as using wheat flour for 'maida' does not convey the exact nature of ingredients used in manufacturing of various products. Companies are required to comply with requirements by 30th April'19.

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 \$2-5 per tonne at Novorossiysk and \$1-2 per tonne at Odessa compared to last week. Wheat prices were fell down suddenly, having lost their competitiveness. As per IGC, Russia is expected to produce 69.50 MMT in 2018 compared to 84.90 MMT in 2017. As of now Russian milling wheat with 12.5% protein content at Novorossiysk port is being quoted at FoB \$239.00-245.00/tonne and milling wheat with 12.5% protein content at Odessa is being quoted at FoB \$240.00-245.00/tonne.

Iran, Russia and Kazakhstan have already signed a memorandum for cooperating in wheat trading. Iran has reached self-sufficiency by increasing output and not allowing private millers to export flour using wheat produced domestically. Therefore, private millers may still import wheat from Russia to process and export it to neighboring countries.

As per latest update, Australia has exported 4.47 MMT of wheat during July-December'18 down by around 40 percent compared to previous year during the same period. Of the total quantity, exports in bulk were around 3.90 MMT and the top buyers were Indonesia, Iraq and Korea.

Egypt has purchased 300000 tonnes of United States, Ukraine and France wheat through tender. Glencore offered 120000 tonnes of French wheat at FOB \$224.50/tonne, Cargill offered 120000 tonnes of U.S. soft red wheat at FOB \$234.47/tonne and Louis Dreyfus offered 60000 tonnes of Ukrainian wheat at FOB \$247.90/tonne.

Outlook: Cash market is likely to trade steady to weak in the near term.

Wheat Futures Contact: NCDEX Price							Date:18.02.2019 at 5:00 PM		
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
19-Feb	0	2115	2115	2115	2115	0	-30	60	0
19-Mar	-6	1950	1951	1925	1941	70	+40	130	+20
19-Apr	+19	1850	1869	1799	1869	20	+20	30	+10

Spread	Feb-19	Mar-19	Apr-19
Spot Narella			
19-Feb	25		
19-Mar		-174	
19-Apr			-72

Stocks	Demat	In-Process	Total	EDD
	16.Feb.19	16.Feb.19	16.Feb.19	11.Feb.19
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	354	0	354	354
Baran	-	-	-	-

Wheat Daily Prices and Arrivals on 18.02.2019

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			18-Feb-19	16-Feb-19	
Delhi	Lawrence Road	Mill Delivery	2105	2105	Unch
	Narella	Mill Quality Loose	2090	2100	-10
	Nazafgarh	Mill Quality Loose	2000	2030	-30
Gujarat	Rajkot	Mill Delivery	2025	2020	5
	Ahmedabad	Mill Delivery	2130	2140	-10
	Surat	Mill Delivery	2175	2180	-5
	Dhrol	Mill Quality Loose	2210	NA	-
M.P.	Indore	Mill Delivery	1900	1925	-25
	Bhopal	Mill Quality Loose	1950	1950	Unch
Rajasthan	Kota	Mill Quality Loose	2000	1950	50
		Mill Delivery	2100	2050	50
U.P.	Kanpur	Mill Delivery	2050	2050	Unch
	Mathura	Mill Quality Loose	2050	2080	-30
	Kosi	Mill Quality Loose	2030	2030	Unch
	Hathras	Mill Quality Loose	2050	NA	-
	Aligarh	Mill Quality Loose	2000	Closed	-
Punjab	Khanna	Mill Quality Loose	1960	NA	-
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1920	1920	Unch
	Hodal	Mill Delivery	2070	2070	Unch

	Bhiwani	Mill Quality Loose	2020	1925	95
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2410	2410	Unch
	Madurai	Mill Quality	2467	2467	Unch
	Coimbatore	Mill Quality	2467	2467	Unch
Bihar	Khagariya	Mill Delivery	2150	2150	Unch
	Muzaffarpur	Mill Delivery	2100	2100	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			18-Feb-19	16-Feb-19	
Gujarat	Rajkot	Lokwan	2150	2150	Unch
M.P.	Indore	Lokwan	2150	2150	Unch
	Bhopal	Lokwan	2200	2200	Unch
	Bina	Sarbati 306	2850	2825	25
Rajasthan	Kota	Lokwan Bilty	2160	2150	10
	Baran	Lokwan	NA	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			18-Feb-19	16-Feb-19	
Delhi	Lawrence Road	Mill Delivery	7000	5000	2000
	Narella	Mill Quality Loose	400	400	Unch
	Nazafgarh	Mill Quality Loose	100	60	40
Gujarat	Rajkot	Mill Quality Loose	400	500	-100
	Dhrol	Mill Quality Loose	13	NA	-
M.P.	Indore	Mill Quality Loose	8000	4000	4000
Rajasthan	Kota	Mill Quality	3500	4000	-500
U.P.	Kanpur	Mill Quality Loose	300	500	-200
	Mathura	Mill Quality Loose	150	100	50
	Kosi	Mill Quality Loose	200	300	-100
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	50	Closed	-
Punjab	Khanna	Mill Quality Loose	300	NA	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	100	100	Unch
	Hodal	Mill Quality Loose	20	20	Unch
	Bhiwani	Mill Quality Loose	1200	3000	-1800

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

Wheat Products Delhi	18-Feb-19	16-Feb-19	Change
Atta (50kg) Ordinary	1220	1220	Unch
Maida Grade 1 (50KG)	1190	1190	Unch
Suji (50kg)	1270	1270	Unch
Chokar (50 kg)	850	850	Unch
Chokar (34 kg)	575	575	Unch
Chakki Atta (50kg)	1340	1340	Unch
Chakki Atta (50kg) Special	1360	1360	Unch
Chakki Atta (90kg) Superfine	2450	2450	Unch
Chakki Atta (50kg) Superfine	1380	1380	Unch

Wheat (CBOT) Future Price: 15.02.2019					
Contract Month	Open	High	Low	Close	Change
19-Mar	507.75	508.75	499.25	504.25	-2.75
19-May	511.25	512.25	503.00	507.00	-3.50
19-Jul	514.00	514.50	504.75	509.25	-4.00
19-Sep	522.25	523.25	514.00	518.50	-3.50
19-Dec	535.50	536.75	528.50	532.50	-3.25
20-Mar	546.25	546.25	539.25	543.25	-2.75

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2019 Indian Agribusiness Systems Ltd.