

**Wheat Domestic Fundamentals:**

**Most of the mandi's remained closed due to Maha Shivratri.**

**All India weekly average prices decreased by 5.99 percent to Rs. 2016.08 per quintal during the week ended 28th February 2019.** Wheat average price were ruling at Rs 2144.46 per quintal during 16-23 February 2019. As compared to prices in the week 24-28 February 2018, the prices are firm by 14.07 percent. Prices are expected to remain weak in coming days due to abundant availability in domestic market.

**Western disturbance accompanied with other climate factors has led to an extended winter.** More rains have been experienced in Rajasthan, Punjab, Haryana, Madhya Pradesh and Western Uttar Pradesh. Reports of flattening or damage to Rabi crops have been received but the actual impact is still being assessed. However these showers are not expected to cause any extensive damage. Weather, in general, has been favorable for wheat crop and a good harvest can be expected in MY 2019-20.

**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 \$345.80 (Rs 24485) per tonne and \$333.22 (Rs 23600) 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 23000 per tonne and Rs 23500 per tonne respectively.

**Wheat market is likely to remain weak in upcoming days due to ample availability in domestic market and expectation of good production in MY 2019-20.** Despite abundant availability India was not able to export much as other countries are able to provide wheat at lower prices. Imports remained at lower side in MY 2018-2019.

**As per second advance estimate, India is likely to produce 99.12 MMT of wheat compared to 99.70 MMT in previous year.** The total food grain production is expected at record 281.37 MMT compared to 277.49 MMT last year. This year overall acreage is lower by around 0.15% compared to last years' acreage of 300.12 lakh hectares.

**As per latest update, area sown until 22nd February-19 is 299.68 lakh hectares compared to 300.12 lakh hectares in the previous Rabi season.** The normal area is 306.29 lakh hectares. Acreage of wheat in Madhya Pradesh is higher as farmers have shifted from chickpea. This year, as on 01st February-19, farmers have sowed 60.00 lakh hectares of wheat in Madhya Pradesh compared to 53.16 Lakh hectares last year on same date. Lower acreage was reported in Maharashtra and Gujarat due to low availability of water.

**As per trade source, India has exported around 4.51 thousand tonnes in the month of January-2019.** The quantity in January-2019 was exported at an average FOB of \$ 375.89 per tonne and the major destinations were Nepal, UAE and Somalia. Exports are likely to be at lower side as other countries are able to provide quality wheat at competitive prices.

**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.

**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 \$3 per tonne at Novorossiysk and \$2-4 per tonne at Odessa compared to last week.** Wheat prices were weak due to weak export demand as buyers have started buying from Argentina, USA and France. As per IGC, Russia is expected to produce 71.60 MMT in 2018-19 compared to 85.10 MMT in 2017-18. As of now Russian milling wheat with 12.5% protein content at Novorossiysk port is being quoted at FoB \$233.00-236.00/tonne and milling wheat with 12.5% protein content at Odessa is being quoted at FoB \$233.00-237.00/tonne.

**Sudan is expecting to buy 9 LMT of wheat from local farmers, which will meet around 42% of country's wheat demand.** The purchase price will be \$38.95 per sack. Sudan has already faced anti-government protests after increase in bread prices.

**Dry spell in Australia is likely to continue in coming months. This will lead to lower yields for wheat and ultimately resulting in third consecutive year of low production.** Lower production in Australia is likely to keep global prices afloat.

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

Wheat Futures Contact: NCDEX Price							Date:01.03.2019 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-Mar	-36	1931	1931	1895	1895	10	-10	80	0
19-Apr	+17	1853	1889	1850	1870	20	+10	110	+10
19-May	0	1862	1862	1862	1862	0	0	0	0

Spread	Mar-19	Apr-19	May-19
Spot Narella			
19-Mar	-185		
19-Apr		-25	
19-May			-8

Stocks	Demat	In-Process	Total	EDD
	2.Mar.19	2.Mar.19	2.Mar.19	25.Feb.19
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	NA	NA	NA	NA
Baran	-	-	-	-

### Wheat Daily Prices and Arrivals on 04.03.2019

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			4-Mar-19	2-Mar-19	
Delhi	Lawrence Road	Mill Delivery	Closed	2100	-
	Narella	Mill Quality Loose	Closed	2070	-
	Nazafgarh	Mill Quality Loose	Closed	1950	-
Gujarat	Rajkot	Mill Delivery	Closed	1875	-
	Ahmedabad	Mill Delivery	Closed	2060	-
	Surat	Mill Delivery	Closed	2100	-
	Dhrol	Mill Quality Loose	Closed	2305	-
M.P.	Indore	Mill Delivery	Closed	1950	-
	Bhopal	Mill Quality Loose	Closed	1925	-
Rajasthan	Kota	Mill Quality Loose	Closed	1900	-
		Mill Delivery	Closed	2000	-
U.P.	Kanpur	Mill Delivery	2050	2050	Unch
	Mathura	Mill Quality Loose	1975	1970	5
	Kosi	Mill Quality Loose	2025	2040	-15
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	1950	1960	-10
Punjab	Khanna	Mill Quality Loose	Closed	1930	-
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	Closed	1915	-
	Hodal	Mill Delivery	2050	2050	Unch

	Bhiwani	Mill Quality Loose	NR	2000	-
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
<b>Tamil Nadu</b>	Chennai	Mill Quality	Closed	2300	-
	Madurai	Mill Quality	Closed	2357	-
	Coimbatore	Mill Quality	Closed	2357	-
<b>Bihar</b>	Khagariya	Mill Delivery	Closed	2100	-
	Muzaffarpur	Mill Delivery	2100	2100	Unch
<b>FOR</b>	Kandla (Rajasthan-Rajkot)	Mill Quality	Closed	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	Closed	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			4-Mar-19	2-Mar-19	
<b>Gujarat</b>	Rajkot	Lokwan	Closed	1975	-
<b>M.P.</b>	Indore	Lokwan	Closed	2100	-
	Bhopal	Lokwan	Closed	2200	-
	Bina	Sarbati 306	Closed	2700	-
<b>Rajasthan</b>	Kota	Lokwan Bilty	Closed	2150	-
	Baran	Lokwan	Closed	NA	-

### Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			4-Mar-19	2-Mar-19	
<b>Delhi</b>	Lawrence Road	Mill Delivery	Closed	7000	-
	Narella	Mill Quality Loose	Closed	300	-
	Nazafgarh	Mill Quality Loose	Closed	50	-
<b>Gujarat</b>	Rajkot	Mill Quality Loose	Closed	2000	-
	Dhrol	Mill Quality Loose	Closed	10	-
<b>M.P.</b>	Indore	Mill Quality Loose	Closed	15000	-
<b>Rajasthan</b>	Kota	Mill Quality	Closed	5000	-
<b>U.P.</b>	Kanpur	Mill Quality Loose	500	500	Unch
	Mathura	Mill Quality Loose	200	100	100
	Kosi	Mill Quality Loose	200	300	-100
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	100	50	50
<b>Punjab</b>	Khanna	Mill Quality Loose	Closed	500	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Quality Loose	Closed	200	-
	Hodal	Mill Quality Loose	50	50	Unch
	Bhiwani	Mill Quality Loose	NR	400	-

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

Wheat Products Delhi	4-Mar-19	2-Mar-19	Change
Atta (50kg) Ordinary	Closed	1230	-
Maida Grade 1 (50KG)	Closed	1190	-
Suji (50kg)	Closed	1270	-
Chokar (50 kg)	Closed	840	-
Chokar (34 kg)	Closed	565	-
Chakki Atta (50kg)	Closed	1350	-
Chakki Atta (50kg) Special	Closed	1370	-
Chakki Atta (90kg) Superfine	Closed	2460	-
Chakki Atta (50kg) Superfine	Closed	1390	-

Wheat (CBOT) Future Price: 01.03.2019					
Contract Month	Open	High	Low	Close	Change
19-Mar	452.50	457.75	440.50	454.00	+1.50
19-May	459.50	461.25	447.25	457.25	-2.25
19-Jul	466.00	468.25	454.00	463.25	-3.25
19-Sep	476.25	478.00	464.50	473.00	-3.75
19-Dec	492.00	493.75	480.25	488.25	-4.50
20-Mar	503.50	505.25	494.00	501.00	-3.50

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