

**Wheat Domestic Fundamentals:**

**Markets in Madhya Pradesh are closed due to Rangpanchmi.** Markets in Gujarat remained closed due to March ending.

**India mainly imports from Australia and Russia. Wheat prices recovered slightly in past week.** As of now, Russian wheat with 12.5 percent protein content and Australian premium wheat (APW) is being quoted at \$338.00 (Rs 23345.66) per tonne and \$337.84 (Rs 22335.89) 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 22000 per tonne and Rs 22500 per tonne respectively.

**All India weekly average prices decreased by 2.53 percent to Rs. 2016.74 per quintal during the week ended 23rd March 2019.** Wheat average price were ruling at Rs 2069.03 per quintal during 09-15 March 2019. As compared to prices in the week 16-23 March 2018, the prices are firm by 13.82 percent. Prices are expected to remain weak in coming days due to abundant availability in domestic market.

**Government has offered 11092250 tonnes of wheat in OMSS since July'18 until second tender in March'19 out of which 8042000 tonnes was sold.** Total numbers of rakes sold were 195. State government and bulk consumers bought 748050 tonnes and 6777200 tonnes of wheat respectively. 516750 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 sources, after increase in import duty to 30 percent imports have decreased substantially. India has imported no wheat in the month of February-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.

**As per trade source, India has exported around 6.35 thousand tonnes in the month of February-2019.** The quantity in February-2019 was exported at an average FOB of \$ 403.91 per tonne and the major destinations were Nepal, UAE and Kuwait. Exports are likely to be at lower side as other countries are able to provide quality wheat at competitive prices.

**India is planning to boost its export of Rice and wheat through G2G trade and by participating in tenders floated by countries to procure food.** Iraq has expressed interest in procuring wheat and rice from India. Iraq has an annual requirement of 4 MMT of wheat, of which around 1 MMT is imported. This will also help India in reducing overflowing stock of wheat and rice in domestic market.

**As per market sources, wheat stock in central pool as on 1st March'19 stood at 201.09 lakh tonnes down by 15.97% compared to last month.** This quantity is higher by around 32.69% 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 March'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.

**Wheat WPI has increased from 154.8 in January-2019 to 157.2 in February-2019.** Monthly wheat inflation has increased by 1.55 percent in February-2019 compared to previous month. As compared to February-2018 wheat WPI has increased by around 12.29 percent. Wheat WPI is expected to stay steady to weak in coming months.

**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.

**International Market Update:**

**Russian milling wheat prices became firm by \$5 per tonne at Novorossiysk and \$5-6 per tonne at Odessa compared to last week.** High domestic prices and strong ruble supported Russian wheat prices. 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 \$225.00-230.00/tonne and milling wheat with 12.5% protein content at Odessa is being quoted at FoB \$223.00-228.00/tonne.

**Taiwan flour mills association has bought 110000 tonnes of milling wheat from United States.** Of the total quantity, 27910 tonnes of U.S. dark northern spring wheat of 14.5 percent protein content bought at FOB \$254.13 per tonne, 19665 tonnes of hard red winter wheat of 12.5 percent protein content was bought at FoB \$244.88 per tonne and 7425 tonnes of soft white wheat with 9 percent protein was bought at FoB \$222.30 per tonne. The seller was trading house Cargill.

**Major feed mill group of South Korea has purchased around 65000 tonnes of feed wheat at \$212.99/tonne cost and freight.** Around \$1.25 per tonne will be charged for port unloading. Feed wheat can be sourced from any optional worldwide origins. The seller is believed to be trading house Olam.

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

Wheat Futures Contact: NCDEX Price							Date:25.03.2019 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-Apr	+6	1860	1860	1860	1860	20	+10	270	0
19-May	0	1862	1862	1862	1862	0	0	0	0
19-Jun	0	1919	1919	1919	1919	0	0	0	0

Spread	Apr-19	May-19	June-19
Spot Narella			
19-Apr	-120		
19-May		2	
19-Jun			57

Stocks	Demat	In-Process	Total	EDD
	23.Mar.19	23.Mar.19	23.Mar.19	18.Mar.19
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	NA	NA	NA	NA
Baran	-	-	-	-

### Wheat Daily Prices and Arrivals on 25.03.2019

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			25-Mar-19	23-Mar-19	
Delhi	Lawrence Road	Mill Delivery	2090	2090	Unch
	Narella	Mill Quality Loose	1980	2010	-30
	Nazafgarh	Mill Quality Loose	1950	1990	-40
Gujarat	Rajkot	Mill Delivery	Closed	1735	-
	Ahmedabad	Mill Delivery	Closed	1890	-
	Surat	Mill Delivery	Closed	1930	-
	Dhrol	Mill Quality Loose	Closed	2100	-
M.P.	Indore	Mill Delivery	Closed	1900	-
	Bhopal	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality Loose	1800	1830	-30
		Mill Delivery	1900	1930	-30
U.P.	Kanpur	Mill Delivery	2100	Closed	-
	Mathura	Mill Quality Loose	1900	Closed	-
	Kosi	Mill Quality Loose	2060	Closed	-
	Hathras	Mill Quality Loose	NA	Closed	-
	Aligarh	Mill Quality Loose	1980	Closed	-
Punjab	Khanna	Mill Quality Loose	1830	1840	-10
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1890	1900	-10
	Hodal	Mill Delivery	2060	NA	-

	Bhiwani	Mill Quality Loose	1950	2000	-50
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2200	2200	Unch
	Madurai	Mill Quality	2257	2257	Unch
	Coimbatore	Mill Quality	2257	2257	Unch
Bihar	Khagariya	Mill Delivery	2100	2100	Unch
	Muzaffarpur	Mill Delivery	2100	2100	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	Closed	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	Closed	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			25-Mar-19	23-Mar-19	
Gujarat	Rajkot	Lokwan	Closed	2000	-
M.P.	Indore	Lokwan	Closed	2200	-
	Bhopal	Lokwan	Closed	Closed	-
	Bina	Sarbati 306	Closed	Closed	-
Rajasthan	Kota	Lokwan Bilty	1900	2000	-100
	Baran	Lokwan	1800	NA	-

### Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			25-Mar-19	23-Mar-19	
Delhi	Lawrence Road	Mill Delivery	6000	5500	500
	Narella	Mill Quality Loose	200	250	-50
	Nazafgarh	Mill Quality Loose	40	100	-60
Gujarat	Rajkot	Mill Quality Loose	Closed	4000	-
	Dhrol	Mill Quality Loose	Closed	1	-
M.P.	Indore	Mill Quality Loose	Closed	4000	-
Rajasthan	Kota	Mill Quality	25000	10000	15000
U.P.	Kanpur	Mill Quality Loose	500	Closed	-
	Mathura	Mill Quality Loose	150	Closed	-
	Kosi	Mill Quality Loose	300	Closed	-
	Hathras	Mill Quality Loose	NA	Closed	-
	Aligarh	Mill Quality Loose	100	Closed	-
Punjab	Khanna	Mill Quality Loose	300	500	-200
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	50	NA	-
	Bhiwani	Mill Quality Loose	300	200	100

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

Wheat Products Delhi	25-Mar-19	23-Mar-19	Change
Atta (50kg) Ordinary	1240	1240	Unch
Maida Grade 1 (50KG)	1185	1185	Unch
Suji (50kg)	1265	1265	Unch
Chokar (50 kg)	830	830	Unch
Chokar (34 kg)	560	560	Unch
Chakki Atta (50kg)	1360	1360	Unch
Chakki Atta (50kg) Special	1380	1380	Unch
Chakki Atta (90kg) Superfine	2490	2490	Unch
Chakki Atta (50kg) Superfine	1400	1400	Unch

Wheat (CBOT) Future Price: 22.03.2019					
Contract Month	Open	High	Low	Close	Change
19-May	465.50	473.75	463.75	466.00	-0.50
19-Jul	470.75	478.25	468.50	470.75	-0.75
19-Sep	478.25	486.50	477.25	479.50	-0.50
19-Dec	493.00	501.25	492.25	494.25	-0.50
20-Mar	507.50	514.50	507.50	508.00	0.25
20-May	512.50	519.75	512.25	514.25	unch

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