

Wheat Domestic Fundamentals:

Wheat market is likely to remain weak in upcoming days due to ample availability in domestic market and 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. Furthermore, imports will also remain at lower side in MY 2019-20.

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 \$335.40 (Rs 23190.00) per tonne and \$335.07 (Rs 23167.09) 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 increased by 0.91 percent to Rs. 2035.07 per quintal during the week ended 31st March 2019. Wheat average price were ruling at Rs 2016.74 per quintal during 16-23 March 2019. As compared to prices in the week 24-31 March 2018, the prices are firm by 10.42 percent. Prices are expected to remain weak in coming days due to abundant availability and arrival pressure in domestic market.

Government has offered 11019400 tonnes of wheat in OMSS since July'18 until fourth tender in March'19 out of which 8183900 tonnes was sold. Total numbers of rakes sold were 196. State government and bulk consumers bought 749600 tonnes and 6914900 tonnes of wheat respectively. 519400 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 latest update, wheat purchase has started in Madhya Pradesh and around 5000 quintals have been purchased from 119 cultivators. Only fair average quality (FAQ) wheat will be procured. Farmers are being informed that they should bring their produce after using fan-strainer and drying it properly.

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.

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.

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.

Feed Leaders Committee 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. The quantity is likely to be shipped by September 30th. Feed wheat can be sourced from any origin.

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:01.04.2019 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	+7	1783	1790	1770	1790	140	+70	240	+80
19-May	+42	1802	1840	1800	1839	230	+20	410	+190
19-Jun	0	1919	1919	1919	1919	0	0	0	0

Spread	Apr-19	May-19	June-19
Spot Narella			
19-Apr	-160		
19-May		49	
19-Jun			80

Stocks	Demat	In-Process	Total	EDD
	30.Mar.19	30.Mar.19	30.Mar.19	25.Mar.19
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	NA	NA	NA	NA
Baran	-	-	-	-

Wheat Daily Prices and Arrivals on 01.04.2019

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			1-Apr-19	30-Mar-19	
Delhi	Lawrence Road	Mill Delivery	2070	2075	-5
	Narella	Mill Quality Loose	1950	1990	-40
	Nazafgarh	Mill Quality Loose	1925	1925	Unch
Gujarat	Rajkot	Mill Delivery	1760	Closed	-
	Ahmedabad	Mill Delivery	1880	Closed	-
	Surat	Mill Delivery	1930	Closed	-
	Dhrol	Mill Quality Loose	NR	Closed	-
M.P.	Indore	Mill Delivery	Closed	Closed	-
	Bhopal	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality Loose	1700	1750	-50
		Mill Delivery	1800	1850	-50
U.P.	Kanpur	Mill Delivery	2150	2150	Unch
	Mathura	Mill Quality Loose	1850	1815	35
	Kosi	Mill Quality Loose	1850	1900	-50
	Hathras	Mill Quality Loose	1925	1925	Unch
	Aligarh	Mill Quality Loose	1830	1810	20
Punjab	Khanna	Mill Quality Loose	1860	Closed	-
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1865	1870	-5
	Hodal	Mill Delivery	2000	2020	-20

	Bhiwani	Mill Quality Loose	1925	1925	Unch
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2250	2200	50
	Madurai	Mill Quality	2307	2257	50
	Coimbatore	Mill Quality	2307	2257	50
Bihar	Khagariya	Mill Delivery	1800	1800	Unch
	Muzaffarpur	Mill Delivery	2100	2100	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	Closed	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	Closed	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			1-Apr-19	30-Mar-19	
Gujarat	Rajkot	Lokwan	2000	Closed	-
M.P.	Indore	Lokwan	Closed	Closed	-
	Bhopal	Lokwan	Closed	Closed	-
	Bina	Sarbati 306	Closed	Closed	-
Rajasthan	Kota	Lokwan Bilty	1900	1950	-50
	Baran	Lokwan	Closed	1850	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			1-Apr-19	30-Mar-19	
Delhi	Lawrence Road	Mill Delivery	6000	6500	-500
	Narella	Mill Quality Loose	300	400	-100
	Nazafgarh	Mill Quality Loose	NA	30	-
Gujarat	Rajkot	Mill Quality Loose	15000	Closed	-
	Dhrol	Mill Quality Loose	NR	Closed	-
M.P.	Indore	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality	40000	25000	15000
U.P.	Kanpur	Mill Quality Loose	500	500	Unch
	Mathura	Mill Quality Loose	200	400	-200
	Kosi	Mill Quality Loose	300	200	100
	Hathras	Mill Quality Loose	100	100	Unch
	Aligarh	Mill Quality Loose	150	200	-50
Punjab	Khanna	Mill Quality Loose	800	Closed	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	100	300	-200
	Hodal	Mill Quality Loose	500	250	250
	Bhiwani	Mill Quality Loose	200	400	-200

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

Wheat Products Delhi	1-Apr-19	30-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: 29.03.2019					
Contract Month	Open	High	Low	Close	Change
19-May	463.75	464.75	452.50	457.75	-6.75
19-Jul	469.50	471.50	459.00	463.50	-7.00
19-Sep	478.25	478.75	467.25	471.00	-7.75
19-Dec	492.75	493.25	482.50	484.75	-8.50
20-Mar	503.25	504.50	496.50	497.75	-8.50
20-May	509.00	510.50	503.25	503.75	-8.50

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