

Wheat Domestic Fundamentals:

India is not likely to import wheat in MY 2019-20 due to three consecutive good production years. India has abundant supplies to meet its domestic demand for wheat. Wheat in central pool as on 01st April'19 is expected to be around 18.50 MMT. As of now prices will remain under pressure due to fresh arrivals.

Government agencies have started procurement. Until 04th April'19 government has procured around 1.36 lakh tonnes of wheat. Of the total quantity procured, around 1.32 lakh tonnes have been procured from Madhya Pradesh and 0.04 lakh tonnes from Rajasthan. In Rabi marketing season 2019-20 government has set procurement target of 35.70 MMT.

All India average monthly prices for wheat decreased by 3.33 percent from Rs 2091.69 in February -2019 to Rs 2022.09 per qtl in March -2019. Average price in March-2019 is higher by 12.38 percent compared to Rs 1799.34 per quintal registered in March-2018. Prices are expected to remain weak in coming days due to abundant availability and arrival pressure in domestic market.

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.

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.

International Market Update:

Russian milling wheat prices remained steady to weak by \$0-1 per tonne at Novorossiysk and steady to firm at Odessa by \$0-1 per tonne compared to last week. Therefore wheat quotes did not change significantly during the past week. As per IGC, Russia is expected to produce 77.10 MMT in 2019-20 compared to 71.70 MMT in 2018-19. As of now Russian milling wheat with 12.5% protein content at Novorossiysk port is being quoted at FoB \$223.00-229.00/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.

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

Wheat Futures Contact: NCDEX Price							Date:05.04.2019 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	-4	1849	1845	1806	1845	310	60	1240	290
19-May	-1	1846	1850	1840	1845	220	-60	800	180
19-Jun	0	1906	1906	1906	1906	0	0	0	0

Spread	Apr-19	May-19	June-19
Spot Narella			
19-Apr	-115		
19-May		0	
19-Jun			61

Stocks	Demat	In-Process	Total	EDD
	04.Apr.19	04.Apr.19	04.Apr.19	01.Apr.19
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	NA	NA	NA	NA
Baran	-	-	-	-

Wheat Daily Prices and Arrivals on 06.04.2019

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			6-Apr-19	5-Apr-19	
Delhi	Lawrence Road	Mill Delivery	2000	2035	-35
	Narella	Mill Quality Loose	1890	1960	-70
	Nazafgarh	Mill Quality Loose	1870	1900	-30
Gujarat	Rajkot	Mill Delivery	1850	1860	-10
	Ahmedabad	Mill Delivery	1890	1905	-15
	Surat	Mill Delivery	1940	1960	-20
	Dhrol	Mill Quality Loose	2425	2410	15
M.P.	Indore	Mill Delivery	Closed	Closed	-
	Bhopal	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality Loose	1725	1775	-50
		Mill Delivery	1800	1800	Unch
U.P.	Kanpur	Mill Delivery	2150	2150	Unch
	Mathura	Mill Quality Loose	1770	1800	-30
	Kosi	Mill Quality Loose	1880	1800	80
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	Closed	Closed	-

Punjab	Khanna	Mill Quality Loose	1860	1850	10
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1850	1860	-10
	Hodal	Mill Delivery	1950	1950	Unch
	Bhiwani	Mill Quality Loose	1910	1910	Unch
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2150	2150	Unch
	Madurai	Mill Quality	2207	2207	Unch
	Coimbatore	Mill Quality	2207	2207	Unch
Bihar	Khagariya	Mill Delivery	1850	1850	Unch
	Muzaffarpur	Mill Delivery	1950	1950	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			6-Apr-19	5-Apr-19	
Gujarat	Rajkot	Lokwan	2000	2050	-50
M.P.	Indore	Lokwan	Closed	Closed	-
	Bhopal	Lokwan	Closed	Closed	-
	Bina	Sarbati 306	Closed	Closed	-
Rajasthan	Kota	Lokwan Bilty	1900	1950	-50
	Baran	Lokwan	1800	1800	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			6-Apr-19	5-Apr-19	
Delhi	Lawrence Road	Mill Delivery	4000	1500	2500
	Narella	Mill Quality Loose	100	200	-100
	Nazafgarh	Mill Quality Loose	300	50	250
Gujarat	Rajkot	Mill Quality Loose	8000	5000	3000
	Dhrol	Mill Quality Loose	114	112	2
M.P.	Indore	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality	40000	50000	-10000
U.P.	Kanpur	Mill Quality Loose	500	500	Unch
	Mathura	Mill Quality Loose	12000	8000	4000
	Kosi	Mill Quality Loose	300	100	200
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	Closed	Closed	-

Punjab	Khanna	Mill Quality Loose	400	400	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	100	200	-100
	Hodal	Mill Quality Loose	2000	2000	Unch
	Bhiwani	Mill Quality Loose	300	200	100
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	6-Apr-19	5-Apr-19	Change
Atta (50kg) Ordinary	1220	1220	Unch
Maida Grade 1 (50KG)	1180	1180	Unch
Suji (50kg)	1255	1255	Unch
Chokar (50 kg)	810	810	Unch
Chokar (34 kg)	550	550	Unch
Chakki Atta (50kg)	1350	1350	Unch
Chakki Atta (50kg) Special	1360	1360	Unch
Chakki Atta (90kg) Superfine	2480	2480	Unch
Chakki Atta (50kg) Superfine	1380	1380	Unch

Wheat (CBOT) Future Price: 05.04.2019					
Contract Month	Open	High	Low	Close	Change
19-May	469.00	469.50	464.25	467.75	-3.00
19-Jul	472.25	472.25	467.25	469.75	-4.00
19-Sep	478.75	478.75	475.00	477.25	-4.00
19-Dec	492.25	493.50	489.25	492.00	-3.50
20-Mar	506.75	507.25	503.00	505.75	-3.00
20-May	512.00	514.50	511.00	513.50	-2.50

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