

Wheat Domestic Fundamentals:

The government is planning to initiate open market sale during the procurement season. Generally open market sales starts after procurement ends. However, in this season, stock position for wheat is at higher side. Therefore to make way for new crop, government wants to liquidate wheat stocks in open market. In the previous season government sold 7 MMT of wheat in open market against a target of 10 MMT. Sale target for current season is likely to be same. As per FCI, wheat stock in central pool as on 1st March'19 stood at 201.09 lakh tonnes down by 15.97% compared to last month and government is planning to procure 35.7 MMT in MY 2019-20.

All India weekly average prices increased by 0.53 percent to Rs. 2045.85 per quintal during the week ended 08th April 2019. Wheat average price were ruling at Rs 2035.07 per quintal during 24-31 March 2019. As compared to prices in the week 01-08 April 2018, the prices are firm by 7.58 percent. Prices are expected to remain weak in coming days due to abundant availability and arrival pressure in domestic market.

India mainly imports from Australia and Russia. Wheat prices remained steady to weak in past week. As of now, Russian wheat with 12.5 percent protein content and Australian premium wheat (APW) is being quoted at \$336.70 (Rs 23400.00) per tonne and \$328.61 (Rs 22835.00) 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 21500 per tonne and Rs 22000 per tonne respectively.

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.

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.

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:

As per latest update, Egypt has rejected French around 63000 tonnes of wheat shipment due to high ergot content. Ergot level was found at 0.1 percent whereas the acceptable limit is 0.05 percent. Earlier Egypt has rejected Romanian wheat due to a non-specified "quality issue".

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:09.04.2019 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	1845	1850	1845	1850	200	-100	1440	+200
19-May	-13	1832	1840	1822	1830	100	+80	830	+30
19-Jun	0	1906	1906	1906	1906	0	0	0	0

Spread	Apr-19	May-19	June-19
Spot Narella			
19-Apr	-20		
19-May		-20	
19-Jun			76

Stocks	Demat	In-Process	Total	EDD
	08.Apr.19	08.Apr.19	08.Apr.19	08.Apr.19
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	NA	NA	NA	NA
Baran	-	-	-	-

Wheat Daily Prices and Arrivals on 09.04.2019

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			9-Apr-19	8-Apr-19	
Delhi	Lawrence Road	Mill Delivery	1930	1960	-30
	Narella	Mill Quality Loose	1870	1870	Unch
	Nazafgarh	Mill Quality Loose	1840	1925	-85
Gujarat	Rajkot	Mill Delivery	1860	1850	10
	Ahmedabad	Mill Delivery	1910	1900	10
	Surat	Mill Delivery	1960	1950	10
	Dhrol	Mill Quality Loose	2315	2375	-60
M.P.	Indore	Mill Delivery	Closed	Closed	-
	Bhopal	Mill Quality Loose	1750	1800	-50
Rajasthan	Kota	Mill Quality Loose	1710	1740	-30
		Mill Delivery	1820	1815	5
U.P.	Kanpur	Mill Delivery	2150	2150	Unch
	Mathura	Mill Quality Loose	1715	1750	-35
	Kosi	Mill Quality Loose	1750	1850	-100
	Hathras	Mill Quality Loose	1825	1825	Unch
	Aligarh	Mill Quality Loose	1750	1780	-30
Punjab	Khanna	Mill Quality Loose	1850	1850	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1865	1850	15
	Hodal	Mill Delivery	2050	1950	100

	Bhiwani	Mill Quality Loose	1900	1900	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	1880	1880	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			9-Apr-19	8-Apr-19	
Gujarat	Rajkot	Lokwan	1950	2000	-50
M.P.	Indore	Lokwan	Closed	Closed	-
	Bhopal	Lokwan	1900	1900	Unch
	Bina	Sarbati 306	2500	2500	Unch
Rajasthan	Kota	LokwanBilty	1900	1910	-10
	Baran	Lokwan	1800	1800	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			9-Apr-19	8-Apr-19	
Delhi	Lawrence Road	Mill Delivery	9000	8000	1000
	Narella	Mill Quality Loose	500	200	300
	Nazafgarh	Mill Quality Loose	650	400	250
Gujarat	Rajkot	Mill Quality Loose	8000	9000	-1000
	Dhrol	Mill Quality Loose	95	114	-19
M.P.	Indore	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality	70000	65000	5000
U.P.	Kanpur	Mill Quality Loose	500	500	Unch
	Mathura	Mill Quality Loose	30000	20000	10000
	Kosi	Mill Quality Loose	500	300	200
	Hathras	Mill Quality Loose	450	450	Unch
	Aligarh	Mill Quality Loose	2000	3000	-1000
Punjab	Khanna	Mill Quality Loose	600	600	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	300	200	100
	Hodal	Mill Quality Loose	100000	2000	98000
	Bhiwani	Mill Quality Loose	400	200	200

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

Wheat Products Delhi	9-Apr-19	8-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:08.04.2019					
Contract Month	Open	High	Low	Close	Change
19-May	467.25	471.00	461.75	465.25	-2.50
19-Jul	469.00	473.00	465.00	468.75	-1.00
19-Sep	476.75	480.75	472.50	477.25	Unch
19-Dec	491.50	494.75	486.50	492.50	0.50
20-Mar	505.25	508.00	500.50	506.00	0.25
20-May	510.25	514.50	508.00	512.50	-1.00

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