

Wheat Domestic Fundamentals:

All India weekly average prices decreased by 1.25 percent to Rs. 2020.21 per quintal during the week ended 15th April 2019. Wheat average price were ruling at Rs 2045.85 per quintal during 01-08 April 2019. As compared to prices in the week 09-15 April 2018, the prices are firm by 2.95 percent. Prices are expected to remain weak in coming days due to abundant availability and arrival pressure in domestic market.

Government agencies have started procurement. Until 12th April'19 government has procured around 8.08 lakh tonnes of wheat. Of the total quantity procured, around 7.41 lakh tonnes have been procured from Madhya Pradesh, 0.48 lakh tonnes from Rajasthan, 0.14 lakh tonnes from Uttar Pradesh, 0.02 lakh tonnes from Haryana as well as Gujarat and 0.01 lakh tonnes from Punjab. In Rabi marketing season 2019-20 government has set procurement target of 35.70 MMT.

As per trade source, India has exported around 10.69 thousand tonnes in the month of March-2019. The quantity in March-2019 was exported at an average FOB of \$ 341.00 per tonne and the major destinations were Nepal, UAE and Sri Lanka. Exports are likely to be at lower side as other countries are able to provide quality wheat at competitive prices.

As per latest update, Rain and Hail in some districts of Madhya Pradesh and damaged wheat and chickpea crop. Both the crops were fully grown and ready for harvest before the damage occurred. This damage is not likely to make any significant impact on total production due to record wheat acreage in Madhya Pradesh. Furthermore, ample stock with government will ensure that there are no unexpected surges in prices.

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.

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.

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.

International Market Update:

Bangladesh has bought 50000 tonnes of wheat with 12.5 percent protein content from trading house Agrocorp at \$268.92 per tonne. As per FAO Bangladesh's wheat imports for 2018-19 are expected to touch record high of 6 MMT. Demand for wheat in Bangladesh has increased as wheat is being substituted for more expensive rice.

Russian milling wheat prices were weak by \$1-2 per tonne at Novorossiysk and by \$1 per tonne at Odessa port. Trading activity in Russian wheat market is low. 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 \$222.00-227.00/tonne and milling wheat with 12.5% protein content at Odessa is being quoted at FoB \$222.00-227.00/tonne.

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".

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:15.04.2019 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	0	1849	1855	1845	1849	0	-1,350	2940	0
19-May	-5	1848	1853	1842	1843	840	-330	2580	780
19-Jun	0	1882	1882	1882	1882	0	0	0	0

Spread	Apr-19	May-19	June-19
Spot Narella			
19-Apr	49		
19-May		-6	
19-Jun			39

Stocks	Demat	In-Process	Total	EDD
	12.Apr.19	12.Apr.19	12.Apr.19	08.Apr.19
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	2021	0	2021	NA
Baran	-	-	-	-

Wheat Daily Prices and Arrivals on 15.04.2019

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			15-Apr-19	12-Apr-19	
Delhi	Lawrence Road	Mill Delivery	1890	1900	-10
	Narella	Mill Quality Loose	1800	1800	Unch
	Nazafgarh	Mill Quality Loose	1770	1800	-30
Gujarat	Rajkot	Mill Delivery	1860	1860	Unch
	Ahmedabad	Mill Delivery	1900	1890	10
	Surat	Mill Delivery	1960	1940	20
	Dhrol	Mill Quality Loose	2080	2325	-245
M.P.	Indore	Mill Delivery	1825	1825	Unch
	Bhopal	Mill Quality Loose	1800	1750	50
Rajasthan	Kota	Mill Quality Loose	1680	1680	Unch
		Mill Delivery	1800	1800	Unch
U.P.	Kanpur	Mill Delivery	1810	2010	-200
	Mathura	Mill Quality Loose	Closed	1700	-
	Kosi	Mill Quality Loose	1820	1750	70
	Hathras	Mill Quality Loose	1860	1800	60
	Aligarh	Mill Quality Loose	1715	1700	15
Punjab	Khanna	Mill Quality Loose	1840	1850	-10
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1840	1840	Unch
	Hodal	Mill Delivery	NA	Closed	-

	Bhiwani	Mill Quality Loose	1850	1900	-50
	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	1800	1800	Unch
	Muzaffarpur	Mill Delivery	1700	1750	-50
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			15-Apr-19	12-Apr-19	
Gujarat	Rajkot	Lokwan	1950	2000	-50
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1900	1900	Unch
	Bina	Sarbati 306	NR	2500	-
Rajasthan	Kota	Lokwan Bilty	1950	2050	-100
	Baran	Lokwan	1800	Closed	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			15-Apr-19	12-Apr-19	
Delhi	Lawrence Road	Mill Delivery	6000	12000	-6000
	Narella	Mill Quality Loose	1000	2000	-1000
	Nazafgarh	Mill Quality Loose	2000	1000	1000
Gujarat	Rajkot	Mill Quality Loose	4500	7000	-2500
	Dhrol	Mill Quality Loose	NA	123	-
M.P.	Indore	Mill Quality Loose	2500	2000	500
Rajasthan	Kota	Mill Quality	70000	70000	Unch
U.P.	Kanpur	Mill Quality Loose	200	150	50
	Mathura	Mill Quality Loose	Closed	20000	-
	Kosi	Mill Quality Loose	6000	3500	2500
	Hathras	Mill Quality Loose	60	650	-590
	Aligarh	Mill Quality Loose	5000	1000	4000
Punjab	Khanna	Mill Quality Loose	10000	300	9700
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	4000	1000	3000
	Hodal	Mill Quality Loose	200000	Closed	-
	Bhiwani	Mill Quality Loose	20000	400	19600

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

Wheat Products Delhi	15-Apr-19	12-Apr-19	Change
Atta (50kg) Ordinary	1190	1190	Unch
Maida Grade 1 (50KG)	1200	1200	Unch
Suji (50kg)	1245	1245	Unch
Chokar (50 kg)	810	810	Unch
Chokar (34 kg)	551	551	Unch
Chakki Atta (50kg)	1325	1325	Unch
Chakki Atta (50kg) Special	1350	1350	Unch
Chakki Atta (90kg) Superfine	2450	2450	Unch
Chakki Atta (50kg) Superfine	1360	1360	Unch

Wheat (CBOT) Future Price: 12.04.2019					
Contract Month	Open	High	Low	Close	Change
19-May	462.00	465.25	457.50	464.50	4.00
19-Jul	466.50	468.75	462.00	468.50	3.00
19-Sep	474.25	475.50	469.75	475.25	2.25
19-Dec	490.50	491.75	486.00	491.50	1.75
20-Mar	505.00	506.25	501.00	506.25	1.75
20-May	512.00	514.25	509.25	514.25	1.75

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