

Wheat Domestic Fundamentals:

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 March-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 market sources, wheat stock in central pool as on 1st April'19 stood at 169.92 lakh tonnes down by 15.50% compared to last month. This quantity is higher by around 28.43% 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 April'19 is highest in last three years. Therefore, government has abundant supplies this year to tackle any unexpected rise in wheat prices by selling more quantity in open market.

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.

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:18.04.2019 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-May	-2	1859	1859	1843	1847	290	290	2690	110
19-Jun	0	1882	1882	1882	1882	0	0	0	0
19-Jul	0	1906	1906	1906	1906	0	0	0	0

Spread	May-19	June-19	July-19
Spot Narella			
19-May	22		
19-Jun		35	
19-Jul			24

Stocks	Demat	In-Process	Total	EDD
	17.Apr.19	17.Apr.19	17.Apr.19	15.Apr.19
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	3081	51	3132	2021
Baran	-	-	-	-

Wheat Daily Prices and Arrivals on 18.04.2019

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			18-Apr-19	17-Apr-19	
Delhi	Lawrence Road	Mill Delivery	1900	Closed	-
	Narella	Mill Quality Loose	1825	Closed	-
	Nazafgarh	Mill Quality Loose	1770	Closed	-
Gujarat	Rajkot	Mill Delivery	1765	1760	5
	Ahmedabad	Mill Delivery	1925	1920	5
	Surat	Mill Delivery	1970	1970	Unch
	Dhrol	Mill Quality Loose	NR	2160	-
M.P.	Indore	Mill Delivery	1800	Closed	-
	Bhopal	Mill Quality Loose	1750	Closed	-
Rajasthan	Kota	Mill Quality Loose	1700	Closed	-
		Mill Delivery	1850	Closed	-
U.P.	Kanpur	Mill Delivery	1800	1800	Unch
	Mathura	Mill Quality Loose	Closed	Closed	-
	Kosi	Mill Quality Loose	Closed	1800	-
	Hathras	Mill Quality Loose	1760	1760	Unch
	Aligarh	Mill Quality Loose	Closed	Closed	-
Punjab	Khanna	Mill Quality Loose	1840	1840	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1840	1840	Unch
	Hodal	Mill Delivery	NA	NA	-

	Bhiwani	Mill Quality Loose	1850	Closed	-
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2150	Closed	-
	Madurai	Mill Quality	2207	Closed	-
	Coimbatore	Mill Quality	2207	Closed	-
Bihar	Khagariya	Mill Delivery	1700	1700	Unch
	Muzaffarpur	Mill Delivery	1675	1675	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			18-Apr-19	17-Apr-19	
Gujarat	Rajkot	Lokwan	2000	2050	-50
M.P.	Indore	Lokwan	2200	Closed	-
	Bhopal	Lokwan	1900	Closed	-
	Bina	Sarbati 306	NR	Closed	-
Rajasthan	Kota	Lokwan Bilty	1950	Closed	-
	Baran	Lokwan	NA	Closed	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			18-Apr-19	17-Apr-19	
Delhi	Lawrence Road	Mill Delivery	10000	Closed	-
	Narella	Mill Quality Loose	1500	Closed	-
	Nazafgarh	Mill Quality Loose	600	Closed	-
Gujarat	Rajkot	Mill Quality Loose	3500	2500	1000
	Dhrol	Mill Quality Loose	NR	90	-
M.P.	Indore	Mill Quality Loose	2500	Closed	-
Rajasthan	Kota	Mill Quality	50000	Closed	-
U.P.	Kanpur	Mill Quality Loose	400	400	Unch
	Mathura	Mill Quality Loose	Closed	Closed	-
	Kosi	Mill Quality Loose	Closed	200	-
	Hathras	Mill Quality Loose	400	450	-50
	Aligarh	Mill Quality Loose	Closed	Closed	-
Punjab	Khanna	Mill Quality Loose	30000	30000	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	10000	10000	Unch
	Hodal	Mill Quality Loose	60000	150000	-90000
	Bhiwani	Mill Quality Loose	30000	Closed	-

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

Wheat Products Delhi	18-Apr-19	17-Apr-19	Change
Atta (50kg) Ordinary	1190	Closed	-
Maida Grade 1 (50KG)	1200	Closed	-
Suji (50kg)	1245	Closed	-
Chokar (50 kg)	810	Closed	-
Chokar (34 kg)	551	Closed	-
Chakki Atta (50kg)	1325	Closed	-
Chakki Atta (50kg) Special	1350	Closed	-
Chakki Atta (90kg) Superfine	2450	Closed	-
Chakki Atta (50kg) Superfine	1360	Closed	-

Wheat (CBOT) Future Price: 17.04.2019					
Contract Month	Open	High	Low	Close	Change
19-May	446.50	450.00	444.75	447.00	2.00
19-Jul	450.00	453.75	448.25	450.25	1.75
19-Sep	457.75	461.25	456.00	457.00	0.50
19-Dec	475.00	479.00	473.75	474.25	Unch
20-Mar	491.75	495.75	491.00	491.50	Unch
20-May	502.00	506.25	501.00	501.50	-0.25

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