

Wheat Domestic Fundamentals:

Rain and squall in states of Punjab, Haryana, Rajasthan and Madhya Pradesh has damaged ready to harvest wheat crop. The rain has not only damaged standing crop but also harvested crop lying at grain markets in open. Higher moisture content than usual is also posing a difficulty for farmers while selling their crop. Prolonged winter has delayed wheat harvest this Rabi season. Officials are assessing damage to wheat crop for arriving at actual losses.

Government agencies have started procurement. Until 18th April'19 government has procured around 25.33 lakh tonnes of wheat. Of the total quantity procured, around 13.68 lakh tonnes have been procured from Haryana, 8.76 lakh tonnes from Madhya Pradesh, 1.19 lakh tonnes from Rajasthan, 0.93 lakh tonnes from Uttar Pradesh, 0.75 lakh tonnes from Punjab and 0.02 lakh tonnes from Gujarat. In Rabi marketing season 2019-20 government has set procurement target of 35.70 MMT.

India mainly imports from Australia and Russia. Wheat prices remained weak in past week. As of now, Russian wheat with 12.5 percent protein content and Australian premium wheat (APW) is being quoted at \$332.80 (Rs 23096.32) per tonne and \$315.90 (Rs 21923.46) 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.

Wheat WPI has decreased from 157.2 in February-2019 to 155.5 in March-2019. Monthly wheat inflation has decreased by 1.08 percent in March-2019 compared to previous month. As compared to March-2018 wheat WPI has increased by around 10.13 percent. Wheat WPI is expected to stay steady to weak in coming month.

As per trade sources, export of guar gum has increased in the month of March-19 by 22.26 percent compared to previous month. India exported around 28907 tonnes of guar gum at an average FoB of \$ 1718.53 per tonne in the month of March-19 compared to 23643 tonnes in January-19 at an average FoB of \$ 1792.92 per tonne. Exports are expected to remain at higher side in April-19 as well.

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.

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.

International Market Update:

Russian milling wheat prices were weak by \$1per tonne at Novorossiysk and by \$1-2 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 \$222.00-226.00/tonne and milling wheat with 12.5% protein content at Odessa is being quoted at FoB \$221.00-225.00/tonne.

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.

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.

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

Wheat Futures Contact: NCDEX Price							Date:22.04.2019 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	+18	1855	1875	1845	1870	580	+270	2580	-110
19-Jun	0	1891	1891	1891	1891	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	70		
19-Jun		21	
19-Jul			15

Stocks	Demat	In-Process	Total	EDD
	20.Apr.19	20.Apr.19	20.Apr.19	15.Apr.19
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	3132	162	3294	2021
Baran	-	-	-	-

Wheat Daily Prices and Arrivals on 22.04.2019

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			22-Apr-19	20-Apr-19	
Delhi	Lawrence Road	Mill Delivery	1915	1900	15
	Narella	Mill Quality Loose	1800	1820	-20
	Nazafgarh	Mill Quality Loose	1770	1775	-5
Gujarat	Rajkot	Mill Delivery	1870	1860	10
	Ahmedabad	Mill Delivery	1945	1925	20
	Surat	Mill Delivery	2000	1990	10
	Dhrol	Mill Quality Loose	2230	2250	-20
M.P.	Indore	Mill Delivery	1860	1880	-20
	Bhopal	Mill Quality Loose	1750	1750	Unch
Rajasthan	Kota	Mill Quality Loose	1725	1700	25
		Mill Delivery	1825	1850	-25
U.P.	Kanpur	Mill Delivery	1780	1780	Unch
	Mathura	Mill Quality Loose	1680	Closed	-
	Kosi	Mill Quality Loose	1900	Closed	-
	Hathras	Mill Quality Loose	1790	1750	40
	Aligarh	Mill Quality Loose	1740	1715	25
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	1840	1840	Unch
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	1840	1840	Unch
Tamil Nadu	Chennai	Mill Quality	2150	2150	Unch
	Madurai	Mill Quality	2207	2207	Unch
	Coimbatore	Mill Quality	2207	2207	Unch
Bihar	Khagariya	Mill Delivery	1700	1700	Unch
	Muzaffarpur	Mill Delivery	1670	1680	-10
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			22-Apr-19	20-Apr-19	
Gujarat	Rajkot	Lokwan	2050	2000	50
M.P.	Indore	Lokwan	2200	2200	Unch
	Bhopal	Lokwan	1900	1900	Unch
	Bina	Sarbati 306	2500	NR	-
Rajasthan	Kota	Lokwan Bilty	1950	1950	Unch
	Baran	Lokwan	1850	1800	50

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			22-Apr-19	20-Apr-19	
Delhi	Lawrence Road	Mill Delivery	11000	6500	4500
	Narella	Mill Quality Loose	1000	1000	Unch
	Nazafgarh	Mill Quality Loose	1500	1500	Unch
Gujarat	Rajkot	Mill Quality Loose	4000	4500	-500
	Dhrol	Mill Quality Loose	69	33	36
M.P.	Indore	Mill Quality Loose	2500	2500	Unch
Rajasthan	Kota	Mill Quality	80000	50000	30000
U.P.	Kanpur	Mill Quality Loose	1000	1000	Unch
	Mathura	Mill Quality Loose	25000	Closed	-
	Kosi	Mill Quality Loose	10000	Closed	-
	Hathras	Mill Quality Loose	900	100	800
	Aligarh	Mill Quality Loose	6000	3000	3000
Punjab	Khanna	Mill Quality Loose	40000	40000	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	18000	12000	6000
	Hodal	Mill Quality Loose	25000	100000	-75000
	Bhiwani	Mill Quality Loose	15000	23000	-8000

	Karnal	Mill Delivery	50000	35000	15000
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	22-Apr-19	20-Apr-19	Change
Atta (50kg) Ordinary	1160	1160	Unch
Maida Grade 1 (50KG)	1220	1220	Unch
Suji (50kg)	1230	1230	Unch
Chokar (50 kg)	830	830	Unch
Chokar (34 kg)	565	565	Unch
Chakki Atta (50kg)	1300	1300	Unch
Chakki Atta (50kg) Special	1330	1330	Unch
Chakki Atta (90kg) Superfine	2400	2400	Unch
Chakki Atta (50kg) Superfine	1335	1335	Unch

Wheat (CBOT) Future Price: 19.04.2019					
Contract Month	Open	High	Low	Close	Change
19-May	447.25	448.25	439.25	444.25	-2.75
19-Jul	450.00	451.50	443.25	448.25	-2.00
19-Sep	456.75	458.25	450.25	454.75	-2.25
19-Dec	474.75	475.50	467.50	471.00	-3.25
20-Mar	492.25	492.25	484.25	487.75	-3.75
20-May	502.50	502.50	494.25	497.50	-4.00

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2019 Indian Agribusiness Systems Ltd.