

Wheat Domestic Fundamentals:

Government agencies have started procurement. Until 22nd April'19 government has procured around 55.17 lakh tonnes of wheat. Of the total quantity procured, around 28.54 lakh tonnes have been procured from Haryana, 18.89 lakh tonnes from Madhya Pradesh, 1.97 lakh tonnes from Rajasthan, 2.78 lakh tonnes from Uttar Pradesh, 2.90 lakh tonnes from Punjab, 0.03 lakh tonnes from Gujarat, 0.03 lakh tonnes from Chandigarh and 0.03 lakh tonnes from Uttarakhand. In Rabi marketing season 2019-20 government has set procurement target of 35.70 MMT.

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.

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:

Taiwan flour mills association has bought 109175 tonnes of milling wheat from united states. Of the total quantity, 29250 tonnes of U.S. dark northern spring wheat of 14.5 percent protein content bought at FoB \$230.81 per tonne, 18400 tonnes of hard red winter wheat of 12.5 percent protein content was bought at FoB \$220.41 per tonne, 6525 tonnes of white wheat of 9 percent protein content was bought at FoB \$218.60 per tonne, 30260 tonnes of dark northern spring wheat of 14.5 percent protein content was bought at FoB \$229.65 per tonne, 17935 tonnes of hard red winter wheat of 12.5 percent protein content was bought at FoB \$216.71 per tonne, and 6805 tonnes of red winter wheat of 12.5 percent protein content was bought at FoB \$219.30 per tonne.

Russian milling wheat prices were weak by \$1 per 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.

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

| Wheat Futures Contact: NCDEX Price | | | | | | | Date:23.04.2019 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 | +17 | 1874 | 1880 | 1870 | 1880 | 1000 | 420 | 2770 | 190 |
| 19-Jun | -5 | 1900 | 1900 | 1899 | 1900 | 120 | 120 | 120 | 120 |
| 19-Jul | 0 | 1906 | 1906 | 1906 | 1906 | 0 | 0 | 0 | 0 |

| Spread | May-19 | June-19 | July-19 |
|--------------|--------|---------|---------|
| Spot Narella | | | |
| 19-May | 60 | | |
| 19-Jun | | 20 | |
| 19-Jul | | | 6 |

| Stocks | Demat | In-Process | Total | EDD |
|--------|-----------|------------|-----------|-----------|
| | 22.Apr.19 | 22.Apr.19 | 22.Apr.19 | 22.Apr.19 |
| Delhi | - | - | - | - |
| Itarsi | - | - | - | - |
| Kanpur | - | - | - | - |
| Kota | 3132 | 472 | 3604 | 3132 |
| Baran | - | - | - | - |

Wheat Daily Prices and Arrivals on 23.04.2019

| Centre | Market | Variety | Prices (Rs/Qtl) | | Change |
|-----------|--------------------|---------------------|-----------------|-----------|--------|
| | | | 23-Apr-19 | 22-Apr-19 | |
| Delhi | Lawrence Road | Mill Delivery | 1910 | 1915 | -5 |
| | Narella | Mill Quality Loose | 1820 | 1800 | 20 |
| | Nazafgarh | Mill Quality Loose | 1760 | 1770 | -10 |
| Gujarat | Rajkot | Mill Delivery | Closed | 1870 | - |
| | Ahmedabad | Mill Delivery | Closed | 1945 | - |
| | Surat | Mill Delivery | Closed | 2000 | - |
| | Dhrol | Mill Quality Loose | Closed | 2230 | - |
| M.P. | Indore | Mill Delivery | 1860 | 1860 | Unch |
| | Bhopal | Mill Quality Loose | 1725 | 1750 | -25 |
| Rajasthan | Kota | Mill Quality Loose | 1750 | 1725 | 25 |
| | | Mill Delivery | 1800 | 1825 | -25 |
| U.P. | Kanpur | Mill Delivery | 1785 | 1780 | 5 |
| | Mathura | Mill Quality Loose | 1675 | 1680 | -5 |
| | Kosi | Mill Quality Loose | 1870 | 1900 | -30 |
| | Hathras | Mill Quality Loose | 1780 | 1790 | -10 |
| | Aligarh | Mill Quality Loose | 1725 | 1740 | -15 |
| 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 | 1840 | 10 |
| | Karnal | Mill Delivery | NA | NA | - |
| | Panipat | Mill Quality Loose | 1840 | 1840 | Unch |
| Tamil Nadu | Chennai | Mill Quality | 2175 | 2150 | 25 |
| | Madurai | Mill Quality | 2232 | 2207 | 25 |
| | Coimbatore | Mill Quality | 2232 | 2207 | 25 |
| Bihar | Khagariya | Mill Delivery | 1700 | 1700 | Unch |
| | Muzaffarpur | Mill Delivery | 1700 | 1670 | 30 |
| FOR | Kandla (Rajasthan-Rajkot) | Mill Quality | Closed | NA | - |
| | Gandhidham (Rajasthan-Rajkot) | Mill Quality | Closed | NA | - |

| Centre | Market | Variety | Prices (Rs/Qtl) | | Change |
|------------------|--------|--------------|-----------------|-----------|-------------|
| | | | 23-Apr-19 | 22-Apr-19 | |
| Gujarat | Rajkot | Lokwan | Closed | 2050 | - |
| M.P. | Indore | Lokwan | 2200 | 2200 | Unch |
| | Bhopal | Lokwan | 2000 | 1900 | 100 |
| | Bina | Sarbati 306 | 2500 | 2500 | Unch |
| Rajasthan | Kota | Lokwan Bilty | 1950 | 1950 | Unch |
| | Baran | Lokwan | 1850 | 1850 | Unch |

Wheat Arrivals in Key Centers:

| Centre | Market | Variety | Arrivals (Bags/Qtl) | | Change |
|------------------|-------------------|--------------------|---------------------|-----------|---------------|
| | | | 23-Apr-19 | 22-Apr-19 | |
| Delhi | Lawrence Road | Mill Delivery | 12000 | 11000 | 1000 |
| | Narella | Mill Quality Loose | 800 | 1000 | -200 |
| | Nazafgarh | Mill Quality Loose | 2000 | 1500 | 500 |
| Gujarat | Rajkot | Mill Quality Loose | Closed | 4000 | - |
| | Dhrol | Mill Quality Loose | Closed | 69 | - |
| M.P. | Indore | Mill Quality Loose | 16000 | 2500 | 13500 |
| Rajasthan | Kota | Mill Quality | 50000 | 80000 | -30000 |
| U.P. | Kanpur | Mill Quality Loose | 700 | 1000 | -300 |
| | Mathura | Mill Quality Loose | 25000 | 25000 | Unch |
| | Kosi | Mill Quality Loose | 12000 | 10000 | 2000 |
| | Hathras | Mill Quality Loose | 550 | 900 | -350 |
| | Aligarh | Mill Quality Loose | 3000 | 6000 | -3000 |
| Punjab | Khanna | Mill Quality Loose | 40000 | 40000 | Unch |
| | (Ludhiana)Jagraon | Mill Quality Loose | NA | NA | - |
| Haryana | Sirsa | Mill Quality Loose | 20000 | 18000 | 2000 |
| | Hodal | Mill Quality Loose | 40000 | 25000 | 15000 |
| | Bhiwani | Mill Quality Loose | 11000 | 15000 | -4000 |

| | | | | | |
|--|---------|--------------------|-------|-------|--------------|
| | Karnal | Mill Delivery | 45000 | 50000 | -5000 |
| | Panipat | Mill Quality Loose | NA | NA | - |

| Wheat Products Delhi | 23-Apr-19 | 22-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: 22.04.2019 | | | | | |
|---------------------------------------|--------|--------|--------|--------|--------------|
| Contract Month | Open | High | Low | Close | Change |
| 19-May | 444.25 | 444.25 | 435.25 | 435.75 | -8.50 |
| 19-Jul | 446.75 | 448.25 | 440.75 | 441.75 | -6.50 |
| 19-Sep | 454.75 | 454.75 | 447.25 | 448.75 | -6.00 |
| 19-Dec | 470.25 | 470.25 | 464.00 | 465.25 | -5.75 |
| 20-Mar | 487.50 | 487.50 | 481.25 | 482.50 | -5.25 |
| 20-May | 496.25 | 496.25 | 490.75 | 492.75 | -4.75 |

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.