

Wheat Domestic Fundamentals:

As per market sources government may increase import duty on wheat by 10 percent to 40 percent. This may be done to make sure there is no window left for cheaper imports. Three consecutive good production years have led to ample availability in the domestic market. Furthermore, it will also provide support to government in offloading wheat stocks as without any import parity private traders/millers will buy from FCI.

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 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:24.04.2019 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	+26	1885	1900	1881	1900	1740	+740	4120	+1,350
19-Jun	+15	1900	1915	1900	1915	420	+300	360	+240
19-Jul	0	1906	1906	1906	1906	0	0	0	0

Spread	May-19	June-19	July-19
Spot Narella			
19-May	80		
19-Jun		15	
19-Jul			-9

Stocks	Demat	In-Process	Total	EDD
	23.Apr.19	23.Apr.19	23.Apr.19	22.Apr.19
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	3294	481	3775	3132
Baran	-	-	-	-

Wheat Daily Prices and Arrivals on 24.04.2019

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			24-Apr-19	23-Apr-19	
Delhi	Lawrence Road	Mill Delivery	1900	1910	-10
	Narella	Mill Quality Loose	Closed	1820	-
	Nazafgarh	Mill Quality Loose	Closed	1760	-
Gujarat	Rajkot	Mill Delivery	1870	Closed	-
	Ahmedabad	Mill Delivery	1960	Closed	-
	Surat	Mill Delivery	2000	Closed	-
	Dhrol	Mill Quality Loose	NR	Closed	-
M.P.	Indore	Mill Delivery	1860	1860	Unch
	Bhopal	Mill Quality Loose	1725	1725	Unch
Rajasthan	Kota	Mill Quality Loose	1750	1750	Unch
		Mill Delivery	1800	1800	Unch
U.P.	Kanpur	Mill Delivery	1790	1785	5
	Mathura	Mill Quality Loose	1665	1675	-10
	Kosi	Mill Quality Loose	1880	1870	10
	Hathras	Mill Quality Loose	1740	1780	-40
	Aligarh	Mill Quality Loose	Closed	1725	-
Punjab	Khanna	Mill Quality Loose	1840	1840	Unch
	Ludhiana (Jagraon)	Mill Delivery	1875	NA	-
Haryana	Sirsa	Mill Delivery loose	1840	1840	Unch
	Hodal	Mill Delivery	NA	NA	-

	Bhiwani	Mill Quality Loose	1840	1850	-10
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	1840	1840	Unch
Tamil Nadu	Chennai	Mill Quality	2175	2175	Unch
	Madurai	Mill Quality	2232	2232	Unch
	Coimbatore	Mill Quality	2232	2232	Unch
Bihar	Khagariya	Mill Delivery	1700	1700	Unch
	Muzaffarpur	Mill Delivery	1700	1700	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	Closed	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	Closed	-

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

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			24-Apr-19	23-Apr-19	
Delhi	Lawrence Road	Mill Delivery	11000	12000	-1000
	Narella	Mill Quality Loose	Closed	800	-
	Nazafgarh	Mill Quality Loose	Closed	2000	-
Gujarat	Rajkot	Mill Quality Loose	3500	Closed	-
	Dhrol	Mill Quality Loose	NR	Closed	-
M.P.	Indore	Mill Quality Loose	14000	16000	-2000
Rajasthan	Kota	Mill Quality	30000	50000	-20000
U.P.	Kanpur	Mill Quality Loose	800	700	100
	Mathura	Mill Quality Loose	25000	25000	Unch
	Kosi	Mill Quality Loose	10500	12000	-1500
	Hathras	Mill Quality Loose	750	550	200
	Aligarh	Mill Quality Loose	Closed	3000	-
Punjab	Khanna	Mill Quality Loose	150000	40000	110000
	(Ludhiana)Jagraon	Mill Quality Loose	50000	NA	-
Haryana	Sirsa	Mill Quality Loose	20000	20000	Unch
	Hodal	Mill Quality Loose	30000	40000	-10000
	Bhiwani	Mill Quality Loose	8000	11000	-3000

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

Wheat Products Delhi	24-Apr-19	23-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: 23.04.2019					
Contract Month	Open	High	Low	Close	Change
19-May	435.25	441.25	433.00	438.75	3.00
19-Jul	441.25	447.50	439.00	445.00	3.25
19-Sep	449.00	454.50	446.25	451.75	3.00
19-Dec	465.25	471.25	463.00	468.25	3.00
20-Mar	482.00	488.75	480.75	485.00	2.50
20-May	491.75	499.00	491.25	494.75	2.00

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