

Wheat Domestic Fundamentals:

All India weekly average prices decreased by 0.65 percent to Rs. 2007.07 per quintal during the week ended 23rd April 2019. Wheat average price were ruling at Rs 2020.21 per quintal during 09-15 April 2019. As compared to prices in the week 16-23 April 2018, the prices are firm by 6.45 percent. Prices are expected to remain weak in coming days due to abundant availability and arrival pressure in domestic market.

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.

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 \$3 per tonne at Novorossiysk and by \$2-3 per tonne at Odessa port. Good prospects for global wheat production and favorable weather conditions. 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 \$219.00-223.00/tonne and milling wheat with 12.5% protein content at Odessa is being quoted at FoB \$218.00-223.00/tonne.

As per latest update, Tunisia has bought around 92000 tonnes of soft milling wheat in three consignments of 25000 tonnes each and one of 17000 tonnes. The consignments were bought in the range of \$210.98-228.22 per tonnes C&F. The sellers were Cofco and Cargill. The said quantity is to be delivered between late May and early July.

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.

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

Wheat Futures Contact: NCDEX Price							Date:26.04.2019 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	-16	1898	1900	1882	1882	800	-240	5610	+570
19-Jun	0	1923	1926	1920	1923	0	-60	410	0
19-Jul	0	1915	1915	1915	1915	0	0	0	0

Spread	May-19	June-19	July-19
Spot Narella			
19-May	57		
19-Jun		41	
19-Jul			-8

Stocks	Demat	In-Process	Total	EDD
	25.Apr.19	25.Apr.19	25.Apr.19	22.Apr.19
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	3294	481	3775	3132
Baran	-	-	-	-

Wheat Daily Prices and Arrivals on 26.04.2019

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			26-Apr-19	25-Apr-19	
Delhi	Lawrence Road	Mill Delivery	1890	1900	-10
	Narella	Mill Quality Loose	1820	1825	-5
	Nazafgarh	Mill Quality Loose	1755	1750	5
Gujarat	Rajkot	Mill Delivery	1900	1875	25
	Ahmedabad	Mill Delivery	1965	1960	5
	Surat	Mill Delivery	2010	2000	10
M.P.	Dhrol	Mill Quality Loose	1945	2110	-165
	Indore	Mill Delivery	1875	1860	15
Rajasthan	Kota	Bhopal	1725	1750	-25
		Mill Quality Loose	1770	1770	Unch
U.P.	Kanpur	Mill Delivery	1900	1900	Unch
		Mill Delivery	1785	1785	Unch
	Mathura	Mill Quality Loose	1670	1690	-20
	Kosi	Mill Quality Loose	1870	1875	-5
	Hathras	Mill Quality Loose	1780	1740	40
Punjab	Aligarh	Mill Quality Loose	1710	1715	-5
	Khanna	Mill Quality Loose	1840	1840	Unch
Haryana	Ludhiana (Jagraon)	Mill Delivery	1875	1875	Unch
	Sirsa	Mill Delivery loose	1840	1840	Unch
	Hodal	Mill Delivery	NA	NA	-

	Bhiwani	Mill Quality Loose	1850	1850	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	1680	1680	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			26-Apr-19	25-Apr-19	
Gujarat	Rajkot	Lokwan	2050	2050	Unch
M.P.	Indore	Lokwan	2200	2200	Unch
	Bhopal	Lokwan	1950	2000	-50
	Bina	Sarbati 306	2500	2500	Unch
Rajasthan	Kota	Lokwan Bilty	1950	1950	Unch
	Baran	Lokwan	1900	1850	50

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			26-Apr-19	25-Apr-19	
Delhi	Lawrence Road	Mill Delivery	10000	10000	Unch
	Narella	Mill Quality Loose	1000	800	200
	Nazafgarh	Mill Quality Loose	1500	3000	-1500
Gujarat	Rajkot	Mill Quality Loose	3000	3200	-200
	Dhrol	Mill Quality Loose	26	56	-30
M.P.	Indore	Mill Quality Loose	16000	14000	2000
Rajasthan	Kota	Mill Quality	40000	50000	-10000
U.P.	Kanpur	Mill Quality Loose	500	1000	-500
	Mathura	Mill Quality Loose	30000	30000	Unch
	Kosi	Mill Quality Loose	10500	10540	-40
	Hathras	Mill Quality Loose	950	750	200
	Aligarh	Mill Quality Loose	15000	20000	-5000
Punjab	Khanna	Mill Quality Loose	150000	90000	60000
	(Ludhiana)Jagraon	Mill Quality Loose	70000	60000	10000
Haryana	Sirsa	Mill Quality Loose	25000	20000	5000
	Hodal	Mill Quality Loose	30000	30000	Unch
	Bhiwani	Mill Quality Loose	7000	10000	-3000

	Karnal	Mill Delivery	40000	100000	-60000
	Panipat	Mill Quality Loose	25000	40000	-15000

Wheat Products Delhi	26-Apr-19	25-Apr-19	Change
Atta (50kg) Ordinary	1110	1110	Unch
Maida Grade 1 (50KG)	1225	1225	Unch
Suji (50kg)	1230	1230	Unch
Chokar (50 kg)	830	830	Unch
Chokar (34 kg)	565	565	Unch
Chakki Atta (50kg)	1250	1250	Unch
Chakki Atta (50kg) Special	1280	1280	Unch
Chakki Atta (90kg) Superfine	2350	2350	Unch
Chakki Atta (50kg) Superfine	1305	1305	Unch

Wheat (CBOT) Future Price: 25.04.2019

Contract Month	Open	High	Low	Close	Change
19-May	430.75	437.50	428.25	434.75	2.50
19-Jul	436.75	443.50	434.50	441.50	3.00
19-Sep	444.50	451.25	442.00	449.25	3.25
19-Dec	461.00	467.75	458.75	466.00	3.25
20-Mar	479.25	483.75	475.50	482.00	2.50
20-May	488.50	493.75	486.00	491.75	2.50

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.