

**Wheat Domestic Fundamentals:**

**Government has increased import duty on wheat from 30 percent to 40 percent. This is done to make sure that 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.

**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.

**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	-14	1898	1900	1882	1884	800	-240	5610	+570
19-Jun	+5	1923	1926	1920	1928	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	54		
19-Jun		44	
19-Jul			-13

Stocks	Demat	In-Process	Total	EDD
	27.Apr.19	27.Apr.19	27.Apr.19	22.Apr.19
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	3294	481	3775	3132
Baran	-	-	-	-

### Wheat Daily Prices and Arrivals on 29.04.2019

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			29-Apr-19	27-Apr-19	
Delhi	Lawrence Road	Mill Delivery	1885	1890	-5
	Narella	Mill Quality Loose	Closed	1830	-
	Nazafgarh	Mill Quality Loose	1750	1745	5
Gujarat	Rajkot	Mill Delivery	1900	1900	Unch
	Ahmedabad	Mill Delivery	1970	1960	10
	Surat	Mill Delivery	2010	2000	10
	Dhrol	Mill Quality Loose	2305	2080	225
M.P.	Indore	Mill Delivery	1875	1875	Unch
	Bhopal	Mill Quality Loose	1750	1725	25
Rajasthan	Kota	Mill Quality Loose	Closed	Closed	-
		Mill Delivery	Closed	Closed	-
U.P.	Kanpur	Mill Delivery	Closed	Closed	-
	Mathura	Mill Quality Loose	1625	1670	-45
	Kosi	Mill Quality Loose	1860	1850	10
	Hathras	Mill Quality Loose	1840	1840	Unch
	Aligarh	Mill Quality Loose	1715	1710	5
Punjab	Khanna	Mill Quality Loose	1840	1840	Unch
	Ludhiana (Jagraon)	Mill Delivery	1870	1875	-5
Haryana	Sirsa	Mill Delivery loose	1835	1840	-5
	Hodal	Mill Delivery	NA	NA	-

	Bhiwani	Mill Quality Loose	1840	1850	<b>-10</b>
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	1840	1840	<b>Unch</b>
<b>Tamil Nadu</b>	Chennai	Mill Quality	Closed	Closed	-
	Madurai	Mill Quality	Closed	Closed	-
	Coimbatore	Mill Quality	Closed	Closed	-
<b>Bihar</b>	Khagariya	Mill Delivery	1700	1700	<b>Unch</b>
	Muzaffarpur	Mill Delivery	1700	1680	<b>20</b>
<b>FOR</b>	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			29-Apr-19	27-Apr-19	
<b>Gujarat</b>	Rajkot	Lokwan	2050	2050	<b>Unch</b>
<b>M.P.</b>	Indore	Lokwan	2200	2200	<b>Unch</b>
	Bhopal	Lokwan	1950	1950	<b>Unch</b>
	Bina	Sarbati 306	2500	2500	<b>Unch</b>
<b>Rajasthan</b>	Kota	Lokwan Bilty	Closed	Closed	-
	Baran	Lokwan	Closed	1900	-

### Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			29-Apr-19	27-Apr-19	
<b>Delhi</b>	Lawrence Road	Mill Delivery	8000	11000	<b>-3000</b>
	Narella	Mill Quality Loose	Closed	700	-
	Nazafgarh	Mill Quality Loose	1500	2000	<b>-500</b>
<b>Gujarat</b>	Rajkot	Mill Quality Loose	2000	2500	<b>-500</b>
	Dhrol	Mill Quality Loose	29	26	<b>3</b>
<b>M.P.</b>	Indore	Mill Quality Loose	13000	16000	<b>-3000</b>
<b>Rajasthan</b>	Kota	Mill Quality	Closed	Closed	-
<b>U.P.</b>	Kanpur	Mill Quality Loose	Closed	Closed	-
	Mathura	Mill Quality Loose	20000	23000	<b>-3000</b>
	Kosi	Mill Quality Loose	10580	10500	<b>80</b>
	Hathras	Mill Quality Loose	1500	1500	<b>Unch</b>
	Aligarh	Mill Quality Loose	15000	15000	<b>Unch</b>
<b>Punjab</b>	Khanna	Mill Quality Loose	200000	180000	<b>20000</b>
	(Ludhiana)Jagraon	Mill Quality Loose	75000	50000	<b>25000</b>
<b>Haryana</b>	Sirsa	Mill Quality Loose	150000	25000	<b>125000</b>
	Hodal	Mill Quality Loose	10000	25000	<b>-15000</b>
	Bhiwani	Mill Quality Loose	12000	13000	<b>-1000</b>

	Karnal	Mill Delivery	30000	30000	Unch
	Panipat	Mill Quality Loose	30000	30000	Unch

Wheat Products Delhi	29-Apr-19	27-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: 26.04.2019					
Contract Month	Open	High	Low	Close	Change
19-May	433.50	439.00	433.25	435.00	0.25
19-Jul	439.75	445.75	439.50	442.50	1.00
19-Sep	449.25	453.00	447.25	450.25	1.00
19-Dec	465.75	469.75	464.00	467.25	1.25
20-Mar	482.00	486.75	480.50	483.75	1.75
20-May	492.25	496.25	490.75	493.00	1.25

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