

Wheat Domestic Fundamentals:

Increase in wheat arrivals has led to glut like situation in Punjab. In past two-three days, daily arrivals have touched 10-12 lakh tonnes whereas lifting is only 5 lakh tonnes. Increase in temperature fastened the maturity of wheat crop and led to upsurge in pace of harvest and arrivals in Punjab Mandis.

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.

As per latest update the central government has accepted Chief Minister Captain Amarinder Singh's request to relax wheat specifications for procuring in MY 2019-20 due to luster loss in past weeks. The relaxation is applicable with immediate effect. District wise percentage relaxation has also been allowed. In Bathinda, Faridkot, Mukhtsar and Ferozepur percentage relaxation of up to 50 percentage has been provided, while Fazilka and Hoshiarpur received a relaxation of up to 75 percentage.

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 \$328.90 (Rs 23069.05) per tonne and \$309.34 (Rs 21697.67) 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.

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.

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 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:

Algeria state grains agency OAIC has bought around 200000 tonnes of durum wheat in a tender that closed on Wednesday. The prices paid were in the range of \$268.00 - \$270.00 per tonne (Cost and Freight). Most of the quantity is expected to be sourced from Canada. Algeria does not disclose the results of its tenders and purchase reports are based on trade assessments. The quantity is to be shipped between in the month of June.

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.

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

Wheat Futures Contact: NCDEX Price							Date:30.04.2019 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	-3	1910	1910	1881	1881	1750	950	5680	70
19-Jun	-8	1928	1931	1917	1920	70	70	450	40
19-Jul	0	1915	1915	1915	1915	0	0	0	0

Spread	May-19	June-19	July-19
Spot Narella			
19-May	56		
19-Jun		39	
19-Jul			-5

Stocks	Demat	In-Process	Total	EDD
	29.Apr.19	29.Apr.19	29.Apr.19	29.Apr.19
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	4054	258	4312	4054
Baran	-	-	-	-

Wheat Daily Prices and Arrivals on 30.04.2019

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			30-Apr-19	29-Apr-19	
Delhi	Lawrence Road	Mill Delivery	1885	1885	Unch
	Narella	Mill Quality Loose	1825	Closed	-
	Nazafgarh	Mill Quality Loose	1750	1750	Unch
Gujarat	Rajkot	Mill Delivery	1910	1900	10
	Ahmedabad	Mill Delivery	1960	1970	-10
	Surat	Mill Delivery	2010	2010	Unch
	Dhrol	Mill Quality Loose	2310	2305	5
M.P.	Indore	Mill Delivery	1875	1875	Unch
	Bhopal	Mill Quality Loose	1750	1750	Unch
Rajasthan	Kota	Mill Quality Loose	1850	Closed	-
		Mill Delivery	1950	Closed	-
U.P.	Kanpur	Mill Delivery	1790	Closed	-
	Mathura	Mill Quality Loose	1680	1625	55
	Kosi	Mill Quality Loose	1760	1860	-100
	Hathras	Mill Quality Loose	1840	1840	Unch
	Aligarh	Mill Quality Loose	1715	1715	Unch
Punjab	Khanna	Mill Quality Loose	1840	1840	Unch
	Ludhiana (Jagraon)	Mill Delivery	1870	1870	Unch
Haryana	Sirsa	Mill Delivery loose	1840	1835	5
	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	2200	Closed	-
	Madurai	Mill Quality	2257	Closed	-
	Coimbatore	Mill Quality	2257	Closed	-
Bihar	Khagariya	Mill Delivery	1700	1700	Unch
	Muzaffarpur	Mill Delivery	1700	1700	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			30-Apr-19	29-Apr-19	
Gujarat	Rajkot	Lokwan	2050	2050	Unch
M.P.	Indore	Lokwan	2200	2200	Unch
	Bhopal	Lokwan	1950	1950	Unch
	Bina	Sarbati 306	2500	2500	Unch
Rajasthan	Kota	Lokwan Bilty	2000	Closed	-
	Baran	Lokwan	1900	Closed	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			30-Apr-19	29-Apr-19	
Delhi	Lawrence Road	Mill Delivery	9000	8000	1000
	Narella	Mill Quality Loose	1000	Closed	-
	Nazafgarh	Mill Quality Loose	1000	1500	-500
Gujarat	Rajkot	Mill Quality Loose	2000	2000	Unch
	Dhrol	Mill Quality Loose	42	29	13
M.P.	Indore	Mill Quality Loose	13000	13000	Unch
Rajasthan	Kota	Mill Quality	50000	Closed	-
U.P.	Kanpur	Mill Quality Loose	1000	Closed	-
	Mathura	Mill Quality Loose	20000	20000	Unch
	Kosi	Mill Quality Loose	500	10580	-10080
	Hathras	Mill Quality Loose	1300	1500	-200
	Aligarh	Mill Quality Loose	12000	15000	-3000
Punjab	Khanna	Mill Quality Loose	200000	200000	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	75000	75000	Unch
Haryana	Sirsa	Mill Quality Loose	30000	150000	-120000
	Hodal	Mill Quality Loose	10000	10000	Unch
	Bhiwani	Mill Quality Loose	9000	12000	-3000

	Karnal	Mill Delivery	25000	30000	-5000
	Panipat	Mill Quality Loose	25000	30000	-5000

Wheat Products Delhi	30-Apr-19	29-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: 29.04.2019					
Contract Month	Open	High	Low	Close	Change
19-May	436.25	439.75	425.00	426.75	-8.25
19-Jul	443.25	446.75	433.75	435.25	-7.25
19-Sep	451.50	454.00	442.50	443.75	-6.50
19-Dec	468.00	470.75	459.50	460.75	-6.50
20-Mar	486.00	487.00	476.50	477.75	-6.00
20-May	494.50	496.50	486.50	487.50	-5.50

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