

**Wheat Domestic Fundamentals:**

**As per market sources, wheat stock in central pool as on 1st July'19 stood at 458.31 lakh tonnes down by 1.57% compared to last month.** This quantity is higher by around 9.64% 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. Therefore, government has abundant supplies this year to tackle any unexpected rise in wheat prices by selling more quantity in open market.

**Wheat WPI has increased from 150.7 in May-2019 to 150.8 in June-2019.** Monthly wheat inflation has increased by 0.07 percent in June-2019 compared to previous month. As compared to June-2018 wheat WPI has increased by around 5.38 percent. Wheat WPI is expected to stay steady to firm in coming month.

**All India weekly average prices increased by 0.59 percent to Rs. 2051.50 per quintal during the week ended 15th July 2019.** Wheat average price were ruling at Rs 2039.37 per quintal during 01-08 July 2019. As compared to prices in the week 09-15 July 2018, the prices are firm by 7.67 percent. Prices are expected to remain steady to slightly in coming days due to hike in import duty and good demand in domestic market.

**India mainly imports from Australia and Russia. Millers prefer Australian wheat over Russian/Ukrainian wheat due to better quality.** As of now, Russian wheat with 12.5 percent protein content and Australian premium wheat (APW) is being quoted at \$345.8 (Rs 23746.09) per tonne and \$373.80 (Rs 25670.85) per tonne respectively, after including freight and import duty @40%. Local expenses will further add to cost. Whereas wheat mill quality price in Chennai is ruling around Rs 23000 per tonne. Therefore, as of now, there is no parity for wheat imports.

**Wheat market is likely to trade firm in near future.** No imports and good domestic demand will support prices. Furthermore, domestic availability of wheat is enough to meet emerging demand in the domestic market. As of now, prices are under pressure due to huge stock position with private traders/millers and government. Millers/traders have bought as much quantity as they could during arrival season due to higher reserve price.

**As per trade sources, after increase in import duty to 40 percent imports have decreased substantially.** India has imported no wheat in the month of May-19. Imports are expected to be low this year due to good domestic availability and increase in import duty. India has imported around 498.77 tonnes in the month of April-2019.

**As per trade source, India has exported around 9.73 thousand tonnes in the month of May-2019.** The quantity in May-2019 was exported at an average FOB of \$ 333.26 per tonne and the major destinations were Nepal, UAE and Somalia. Exports are likely to be at lower side as other countries are able to provide quality wheat at competitive prices.

**Government agencies have started procurement. Until 24<sup>th</sup> June'19 government has procured around 341.15 lakh tonnes of wheat.** Of the total quantity procured, around 129.12 lakh tonnes have been procured from Punjab, 93.20 lakh tonnes from Haryana, 36.87 lakh tonnes from Uttar Pradesh, 67.25 lakh tonnes from Madhya Pradesh, 0.03 lakh tonnes from Bihar, 14.02 lakh tonnes from Rajasthan, 0.42 lakh tonnes from Uttarakhand, 0.13 lakh tonnes from Chandigarh, 0.05 lakh tonnes from Gujarat and 0.01 lakh tonnes from Himachal Pradesh.

**International Market Update:**

**As per latest update, hot and dry weather is likely to continue at Australia's east coast and there is only 30 percent chance of rainfall between August 01 and October 30.** Furthermore, there is 80 percent probability that entire Australia will experience warmer than average temperatures. Private analyst are expecting wheat production to be around 18.00-18.50 MMT in 2019-20. Australia has already imported 50000-60000 MT of wheat from Canada. In case of third consecutive lower production, Australia may be seen importing more wheat.

**As per latest update, Egypt has purchased around 3.26 MMT of local wheat.** Local wheat supply season will end on 15th July. Egypt is the largest buyer of wheat in the world. Wheat is procured to ensure food security and minimize imports as much as possible.

**Russian milling wheat prices became weak by \$1-2 per tonne at Novorossiysk compared to last week.** Export quotes are being influenced by ample availability in global market. As of now Russian milling wheat with 12.5% protein content at Novorossiysk port is being quoted at FoB \$194/tonne.

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

Wheat Futures Contact: NCDEX Price							Date:16.07.2019 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-Jul	+39	1976	2015	2005	2015	180	+170	1130	-150
19-Aug	+41	2019	2068	2015	2054	1110	+790	7410	+90
19-Sep	+38	2050	2090	2080	2088	330	+330	230	+200

Spread	July-19	Aug-19	Sep-19
Spot Narella			
19-Jul	55		
19-Aug		39	
19-Sep			34

Stocks	Demat	In-Process	Total	EDD
	15.Jul.19	15.Jul.19	15.Jul.19	15.Jul.19
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	33299	20	33349	33328
Baran	-	-	-	-

## Wheat Daily Prices and Arrivals on 16.07.2019

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			16-Jul-19	15-Jul-19	
Delhi	Lawrence Road	Mill Delivery	2065	2045	20
	Narella	Mill Quality Loose	1960	1960	Unch
	Nazafgarh	Mill Quality Loose	1925	1925	Unch
Gujarat	Rajkot	Mill Delivery	2030	2025	5
	Ahmedabad	Mill Delivery	2100	2100	Unch
	Surat	Mill Delivery	2125	2125	Unch
	Dhrol	Mill Quality Loose	1860	1915	-55
M.P.	Indore	Mill Delivery	2090	2060	30
	Bhopal	Mill Quality Loose	1940	1950	-10
Rajasthan	Kota	Mill Quality Loose	1870	1870	Unch
		Mill Delivery	1980	1980	Unch
U.P.	Kanpur	Mill Delivery	1960	1960	Unch
	Mathura	Mill Quality Loose	Closed	1825	-
	Kosi	Mill Quality Loose	Closed	1910	-
	Hathras	Mill Quality Loose	1850	1860	-10
	Aligarh	Mill Quality Loose	1880	1875	5
Punjab	Khanna	Mill Quality Loose	NA	1940	-
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1980	1980	Unch
	Hodal	Mill Delivery	NA	NA	-

	Bhiwani	Mill Quality Loose	1960	1950	10
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2300	2300	Unch
	Madurai	Mill Quality	2357	2357	Unch
	Coimbatore	Mill Quality	2357	2357	Unch
Bihar	Khagariya	Mill Delivery	1900	1900	Unch
	Muzaffarpur	Mill Delivery	1925	1925	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			16-Jul-19	15-Jul-19	
Gujarat	Rajkot	Lokwan	2125	2125	Unch
M.P.	Indore	Lokwan	2400	2400	Unch
	Bhopal	Lokwan	2030	2025	5
	Bina	Sarbati 306	2500	2500	Unch
Rajasthan	Kota	Lokwan Bilty	2050	2050	Unch
	Baran	Lokwan	1930	1930	Unch

## Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			16-Jul-19	15-Jul-19	
Delhi	Lawrence Road	Mill Delivery	7000	8000	-1000
	Narella	Mill Quality Loose	200	400	-200
	Nazafgarh	Mill Quality Loose	100	100	Unch
Gujarat	Rajkot	Mill Quality Loose	400	600	-200
	Dhrol	Mill Quality Loose	14	21	-7
M.P.	Indore	Mill Quality Loose	9000	7000	2000
Rajasthan	Kota	Mill Quality	5000	7000	-2000
U.P.	Kanpur	Mill Quality Loose	1200	1000	200
	Mathura	Mill Quality Loose	Closed	400	-
	Kosi	Mill Quality Loose	Closed	400	-
	Hathras	Mill Quality Loose	30	200	-170
	Aligarh	Mill Quality Loose	1500	1000	500
Punjab	Khanna	Mill Quality Loose	NA	500	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	400	400	Unch
	Hodal	Mill Quality Loose	50	30	20
	Bhiwani	Mill Quality Loose	300	600	-300

	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	16-Jul-19	15-Jul-19	Change
Atta (50kg) Ordinary	1100	1100	Unch
Maida Grade 1 (50KG)	1265	1265	Unch
Suji (50kg)	1250	1250	Unch
Chokar (50 kg)	825	825	Unch
Chokar (34 kg)	561	561	Unch
Chakki Atta (50kg)	1200	1200	Unch
Chakki Atta (50kg) Special	1225	1225	Unch
Chakki Atta (90kg) Superfine	2223	2223	Unch
Chakki Atta (50kg) Superfine	1225	1225	Unch

Wheat (CBOT) Future Price: 15.07.2019					
Contract Month	Open	High	Low	Close	Change
19-Sep	524.25	531.50	506.00	507.75	-15.25
19-Dec	536.50	543.00	518.25	520.00	-15.00
20-Mar	548.75	554.00	531.00	533.00	-14.50
20-May	552.75	559.25	537.25	539.00	-14.25
20-Jul	554.25	557.75	538.50	539.75	-13.25
20-Sep	562.25	563.75	546.25	546.25	-13.00

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