

Wheat Domestic Fundamentals:

Markets remained closed due to Diwali.

All India average monthly prices for wheat increased by 0.37 percent from Rs 2033.99 in September -2018 to Rs 2041.48 per qtl in October-2018. Average price in October is higher by 8.83 percent compared to Rs 1875.80 per quintal registered in October -2017. Prices are expected to trade steady to firm due to good demand in domestic market and low imports.

Government has offered 28887160 tonnes of wheat in OMSS since July until third tender in October out of which 1855850 tonnes was sold. Total numbers of rakes sold were 29. State government and bulk consumers bought 289700 tonnes and 1489350 tonnes of wheat respectively. 76850 tonnes was sold in dedicated movement. Government will sell wheat in open market at a reserve price of Rs 1900 per quintal in the second quarter i.e. July-September. For third and fourth quarter prices will be Rs 1925 per quintal and Rs 1950 per quintal respectively.

According to latest update, area sown until 02nd November'18 is 9.13 lakh hectares compared to 5.76 lakh hectares in the previous Rabi season. The normal area is 304.39 lakh hectares. Acreage is expected to be higher this Rabi season due to increase in MSP by Rs 105 per quintal for MY 2018-19.

Wheat prices remained unchanged due to steady demand and arrivals. Market is expected to trade steady to firm due to low imports and festive demand. Wheat mill delivery at Lawrence Road is likely to touch Rs 2090-2100 per quintal in coming weeks which is currently hovering around Rs 2050 per quintal.

As per trade sources imported wheat from various origins to Tuticorin port witnessed weak tone in the week. As of now Ukrainian wheat is being quoted at Rs 2175-2185 per quintal. Australian Standard Wheat (ASW) and Australian Premium Wheat (APW) are not available in domestic market. Stock of imported wheat is very low.

As per trade sources, after increase in import duty to 30 percent imports have decreased substantially. India has imported 1000 tonnes of milling wheat from Pakistan at \$ 318.53 per tonne (Including import duty) in the month of September-2018. Imports are expected to be low this year due to good domestic availability and increase in import duty. India has imported around 31000 tonnes in the month of February-2018.

As per trade source, India has exported around 2.80 thousand tonnes in the month of September compared to 1.90 thousand tonnes in August. The quantity in September was exported at an average FOB of \$ 381.68 per tonne and the major destinations were Nepal, UAE, Sri Lanka and New Zealand. Exports are likely to be at lower side as other countries are able to provide quality wheat at competitive prices.

Previous Updates:

As per fourth advance estimate, wheat production has been pegged at 99.70 MMT compared to 98.61 MMT in its third advance estimate issued in the month of May-2018. Total food grain output is expected to be around 284.43 MMT compared to 279.51 MMT in earlier estimate.

International Market Update:

Russian milling wheat prices became weak by \$2-3per tonne at Novorossiysk and \$2-5 per tonne at Odessa compared to last week. Wheat prices were weak due to strong ruble and low demand. As per USDA, Russia is expected to produce 70.00 MMT in 2018 compared to 84.99 MMT in 2017. As of now Russian milling wheat with 12.5% protein content at Novorossiysk port is being quoted at FoB \$220.00-226.00/tonne and milling wheat with 12.5% protein content at Odessa is being quoted at FoB \$220.00-226.00/tonne.

As per latest update, Japan's ministry of agriculture bought 121488 MT of food quality wheat from United States and Canada. Around 60728 MT has been bought from United States and 60760 MT of western red spring has been bought from Canada. Shipments from United States and Canada will be loaded between Dec 21-2018 and Jan 20-2019.

As per latest update, Ukrainian wheat exports are expected to be lower for 2018-19 due to lower production. During July- Oct'18 Ukraine exported 7.54 MMT of wheat compared to 8.07 MMT last year in the same period.

Morocco will suspend import duty on wheat during from 01st November-31st December'18 and a duty of 30 percent will be applicable from 01st January'19. This step has been taken to increase supply and avoid price hikes in domestic market.

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

Wheat Futures Contact: NCDEX Price							Date: 07.11.2018 at 5:00 PM		
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
18-Nov	11	2037	2037	2037	2037	10	-40	460	0
18-Dec	-14	2063	2049	2049	2049	10	-50	130	0
19-Jan	0	2100	2100	2100	2100	0	0	0	0

Spread	Nov-18	Dec-18	Jan-19
Spot Narela			
18-Nov	-3		
18-Dec		12	
19-Jan			51

Stocks	Demat	In-Process	Total	EDD
	05.Nov.18	05.Nov.18	05.Nov.18	05.Nov.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	973	0	973	973
Baran	-	-	-	-

Wheat Daily Prices and Arrivals on 08.11.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			8-Nov-18	6-Nov-18	
Delhi	Lawrence Road	Mill Delivery	Closed	2040	-
	Narella	Mill Quality Loose	Closed	2040	-
	Nazafgarh	Mill Quality Loose	Closed	1970	-
Gujarat	Rajkot	Mill Delivery	Closed	Closed	-
	Ahmedabad	Mill Delivery	Closed	Closed	-
	Surat	Mill Delivery	Closed	Closed	-
	Dhrol	Mill Quality Loose	Closed	Closed	-
M.P.	Indore	Mill Delivery	Closed	Closed	-
	Bhopal	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality Loose	Closed	Closed	-
		Mill Delivery	Closed	Closed	-
U.P.	Kanpur	Mill Delivery	Closed	1980	-
	Mathura	Mill Quality Loose	NA	NA	-
	Kosi	Mill Quality Loose	Closed	1870	-
	Hathras	Mill Quality Loose	Closed	1900	-
	Aligarh	Mill Quality Loose	Closed	Closed	-
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	Closed	1850	-
	Hodal	Mill Delivery	NA	NA	-

	Bhiwani	Mill Quality Loose	Closed	1925	-
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	Closed	Closed	-
	Madurai	Mill Quality	Closed	Closed	-
	Coimbatore	Mill Quality	Closed	Closed	-
Bihar	Khagariya	Mill Delivery	closed	closed	-
	Muzaffarpur	Mill Delivery	2000	closed	-
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	Closed	Closed	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	Closed	Closed	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			8-Nov-18	6-Nov-18	
Gujarat	Rajkot	Lokwan	Closed	Closed	-
M.P.	Indore	Lokwan	Closed	Closed	-
	Bhopal	Lokwan	Closed	Closed	-
	Bina	Sarbati 306	Closed	Closed	-
Rajasthan	Kota	Lokwan Bilty	Closed	Closed	-
	Baran	Lokwan	closed	closed	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			8-Nov-18	6-Nov-18	
Delhi	Lawrence Road	Mill Delivery	Closed	7000	-
	Narella	Mill Quality Loose	Closed	500	-
	Nazafgarh	Mill Quality Loose	Closed	50	-
Gujarat	Rajkot	Mill Quality Loose	Closed	Closed	-
	Dhrol	Mill Quality Loose	Closed	Closed	-
M.P.	Indore	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality	Closed	Closed	-
U.P.	Kanpur	Mill Quality Loose	Closed	500	-
	Mathura	Mill Quality Loose	NA	NA	-
	Kosi	Mill Quality Loose	Closed	25	-
	Hathras	Mill Quality Loose	Closed	100	-
	Aligarh	Mill Quality Loose	Closed	Closed	-
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	Closed	100	-
	Hodal	Mill Quality Loose	NA	NA	-
	Bhiwani	Mill Quality Loose	Closed	400	-

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

Wheat Products Delhi	8-Nov-18	6-Nov-18	Change
Atta (50kg) Ordinary	Closed	1135	-
Maida Grade 1 (50KG)	Closed	1200	-
Suji (50kg)	Closed	1260	-
Chokar (50 kg)	Closed	925	-
Chokar (34 kg)	Closed	630	-
Chakki Atta (50kg)	Closed	1190	-
Chakki Atta (50kg) Special	Closed	1215	-
Chakki Atta (90kg) Superfine	Closed	2205	-
Chakki Atta (50kg) Superfine	Closed	1225	-

Wheat (CBOT) Future Price: 07.11.2018					
Contract Month	Open	High	Low	Close	Change
18-Dec	512.50	514.25	507.25	510.25	-1.75
19-Mar	527.00	529.00	521.50	522.50	-4.75
19-May	538.50	540.25	532.00	533.00	-5.25
19-Jul	546.50	547.75	540.50	541.75	-4.50
19-Sep	557.00	557.50	551.50	553.00	-3.50
19-Dec	569.25	571.00	565.00	567.75	-2.50

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