

Wheat Domestic Fundamentals:

Dull trading activities were seen in Market on Saturday. Arrivals are also slow in absence of traders.

According to latest update, area sown until 30th November'18 is 152.97 lakh hectares compared to 156.76 lakh hectares in the previous Rabi season. It is down by 15.12% against previous week record and 2.42% down from last year record during the same period of time. The normal area is 306.26 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. Major states of India like Punjab, Chhattisgarh, Uttarakhand and Karnataka reported higher wheat sowing area as 0.19 lakh Ha., 0.09 lakh Ha, 0.08 lakh Ha. and 0.06 lakh Ha. respectively. While, less area has been covered in main growing states of India like Uttar Pradesh (7.47 lakh ha.), Madhya Pradesh (6.76 lakh Ha.), Bihar (2.86 lakh Ha.), Haryana (2.86 lakh ha.).

Farmers are likely to switch from Pulses to Wheat crop in expectation of better profit margin in this season. Madhya Pradesh, Chhattisgarh, Bihar reported lower sowing area as of now due to scanty rainfall. Wheat acreage is likely to go up in the northern region, mainly in Uttar Pradesh and Madhya Pradesh. Punjab and Haryana have finished over 95 % sowing area. Wheat crop germinates better in wintery conditions. Wheat sowing has been delayed due to late maturity of paddy in this season. Falling temperatures is favourable for wheat crop cultivation. On the other hand, drought in Australia may lower global Wheat crop size.

As per trade source, India has exported around 5.09 thousand tonnes in the month of October compared to 2.80 thousand tonnes in September. The quantity in October was exported at an average FOB of \$ 315.91 per tonne and the major destinations were Nepal, UAE and Bahrain. Exports are likely to be at lower side as other countries are able to provide quality wheat at competitive prices.

As per trade sources, after increase in import duty to 30 percent imports have decreased substantially. India has imported no wheat in the month of October-2018. Imports are expected to be low this year due to good domestic availability and increase in import duty. India has imported around 1000 tonnes in the month of September-2018.

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:

CBOT March soft red winter wheat contract ended higher due to strong export sales recent report of USDA. Export sales for Wheat shows 89% higher to 711,800 metric tonnes for the period of 23 to 29 November 2018. The figure is also high 58 percent from the prior four-week average. Egypt and Mexico were the major bulk buyers.

As per sources, Russian shipped higher Wheat to 36.8 million tonnes in the first ten months of 2018 against 24.5 million tonnes in previous year. While, China sold 3,700 tonnes of 2013 imported wheat at auction of state reserves at an average price of 2,210 yuan (\$321.25) per tonne.

As per sources, Japan is likely to import 19,120 tonnes of feed quality wheat via a simultaneous buy and sell (SBS) auction. The ministry had sought 120,000 tonnes of feed wheat to be loaded by Feb. 8, 2019 and arrive in Japan by March 7 in the tender that is usually conducted weekly. The country is looking for same amount of feed wheat to import in upcoming auction which will be conducted on December 12, 2018.

As per the state and federal agricultural officials, farmer in Oklahoma have harvested less wheat crop by 70 Million bushel in the current year as compared to 99 million bushel in 2017 due to higher global supply, weak prices and the weather, another lucrative crop like cotton, soybean and corn. While, farmers harvested a record 136.5 million bushel in 2016. Wheat touched its highest crop size in major growing countries like U.S. Canada, France, Russia, Ukraine, Australia and Argentina as a result, demand and prices are remain down in the market.

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

Wheat Futures Contact: NCDEX Price							Date: 08.12.2018		
Contract Month	Ch. from previous day	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
18-Dec	+1	2105	2132	2105	2119	40	20	230	-70
19-Jan	-8	2140	2140	2132	2137	50	40	60	40
19-Feb	0	2180	2180	2180	2180				

Spread	Dec-18	Jan-19	Feb-19
Spot Narela			
18-Dec	59		
19-Jan		18	
19-Feb			43

Stocks	Demat	In-Process	Total	EDD
	26.Nov.18	26.Nov.18	26.Nov.18	26.Nov.18
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	715	0	715	715
Baran	-	-	-	-

Wheat Daily Prices and Arrivals on 08.12.2018

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			8-Dec-18	7-Dec-18	
Delhi	Lawrence Road	Mill Delivery	2070	2070	Unch
	Narella	Mill Quality Loose	2060	2060	Unch
	Nazafgarh	Mill Quality Loose	2000	1980	20
Gujarat	Rajkot	Mill Delivery	2020	2025	-5
	Ahmedabad	Mill Delivery	2170	2175	-5
	Surat	Mill Delivery	2210	2220	-10
	Dhrol	Mill Quality Loose	2240	2310	-70
M.P.	Indore	Mill Delivery	2020	Closed	-
	Bhopal	Mill Quality Loose	1925	Closed	-
Rajasthan	Kota	Mill Quality Loose	1950	Closed	-
		Mill Delivery	2060	Closed	-
U.P.	Kanpur	Mill Delivery	2015	2015	Unch
	Mathura	Mill Quality Loose	1760	1760	Unch
	Kosi	Mill Quality	1920	1920	Unch

		Loose			
	Hathras	Mill Quality Loose	NA	Closed	-
	Aligarh	Mill Quality Loose	NR	1840	-
Punjab	Khanna	Mill Quality Loose	1935	1950	-15
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1875	1875	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1950	1950	Unch
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2350	Closed	-
	Madurai	Mill Quality	2407	Closed	-
	Coimbatore	Mill Quality	2407	Closed	-
Bihar	Khagariya	Mill Delivery	2000	2000	Unch
	Muzaffarpur	Mill Delivery	2000	2000	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			8-Dec-18	7-Dec-18	
Gujarat	Rajkot	Lokwan	2250	2250	Unch
M.P.	Indore	Lokwan	2350	Closed	-
	Bhopal	Lokwan	2100	Closed	-
	Bina	Sarbati 306	2900	Closed	-
Rajasthan	Kota	Lokwan Bilty	2150	Closed	-
	Baran	Lokwan	NA	Closed	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			8-Dec-18	7-Dec-18	
Delhi	Lawrence Road	Mill Delivery	6000	6000	Unch
	Narella	Mill Quality Loose	300	400	-100
	Nazafgarh	Mill Quality Loose	20	150	-130

Gujarat	Rajkot	Mill Quality Loose	400	600	-200
	Dhrol	Mill Quality Loose	25	6	19
M.P.	Indore	Mill Quality Loose	1200	Closed	-
Rajasthan	Kota	Mill Quality	1500	Closed	-
U.P.	Kanpur	Mill Quality Loose	400	500	-100
	Mathura	Mill Quality Loose	80	80	Unch
	Kosi	Mill Quality Loose	26	26	Unch
	Hathras	Mill Quality Loose	NA	Closed	-
	Aligarh	Mill Quality Loose	NR	250	-
Punjab	Khanna	Mill Quality Loose	700	600	100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	60	50	10
	Bhiwani	Mill Quality Loose	400	600	-200
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	8-Dec-18	7-Dec-18	Change
Atta (50kg) Ordinary	1150	1150	Unch
Maida Grade 1 (50KG)	1230	1230	Unch
Suji (50kg)	1300	1300	Unch
Chokar (50 kg)	925	925	Unch
Chokar (34 kg)	630	630	Unch
Chakki Atta (50kg)	1250	1250	Unch
Chakki Atta (50kg) Special	1275	1275	Unch
Chakki Atta (90kg) Superfine	2315	2315	Unch
Chakki Atta (50kg) Superfine	1285	1285	Unch

Wheat (CBOT) Future Price: 07.12.2018					
Contract Month	Open	High	Low	Close	Change
18-Dec	505.25	519.50	505.25	519.50	14.25
19-Mar	517.00	532.00	515.25	531.25	15.75
19-May	522.25	536.75	521.00	536.00	15.00
19-Jul	527.25	540.75	525.75	540.00	14.50
19-Sep	534.75	548.75	534.75	548.25	14.25
19-Dec	548.50	561.25	548.50	560.75	14.00

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