

**Wheat Domestic Fundamentals:**

**As per latest update, area sown until 22<sup>nd</sup> November-19 is 96.77 lakh hectares compared to 99.64 lakh hectare in the previous Rabi season.** The normal area is 305.58 lakh hectares. In Gujarat, irrigated wheat sowing is reported on about 40,000 hectares, which is barely 4 per cent of the normal sowing.

**As per market sources, wheat stock in central pool as on 1st November'19 stood at 373.77 lakh tonnes down by 4.93% compared to last month.** This quantity is higher by around 12.80% 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.

**All India weekly average prices increased by 0.47 percent to Rs. 2153.72 per quintal during the week ended 08th November 2019.** Wheat average price were ruling at Rs 2143.68 per quintal during 24-31 October 2019. As compared to prices in the week 01-08 November 2018, the prices are firm by 5.60 percent. Prices are expected to remain steady to firm in coming days due to no import parity and likely increase in demand in domestic market.

**Farmers in Amritsar, Punjab have to sow the seeds of the wheat crop again** as the earlier sown seeds were damaged by heavy hailstorm and rain during the first week of November. The seeds did not germinate due to more moisture content in the soil. They have to face double loss of sowing the wheat again and less per acre yield amid late sowing. According to market sources, a loss of 1.5 quintal is usually witnessed if the crop sowing is delayed by one week. Now, as the sowing has been delayed by two-three weeks, it is expected that estimated per acre loss would be around four quintals.

**Madhya Pradesh government is encouraging farmers to cultivate cashew rather than regular crop like wheat.** The state has witnessed heavy rains as well as dry conditions which has impacted crops. Government is promoting cash crops among farmers by waiving loans, providing electricity at half price, subsidizing farm equipment's, etc. All this has made a positive effect and some farmers have shifted to cashew farming.

**The agriculture department of Punjab has advised farmers to sow only varieties that are recommended by Punjab agriculture university (PAU).** HD 2967, HD 3086, PBW 343, PBW 550, PBW 725, PBW 677, WH 1105, PBW 621 and WHD 943 are among the PAU recommended varieties. Late sown varieties include PBW 658 and PBW 590. The above mentioned varieties are likely to give better yields. Therefore, under normal conditions a good harvest can be expected in Punjab.

**Wheat stock in central pool is 393.16 lakh tonnes higher by 36.91 lakh tonnes compared to last year for the same month.** Stock disposal still remains a problem as Indian wheat is not competitive in international market due to higher prices and domestic demand is limited. Furthermore, India is expected to see another good year of production due to good soil moisture and higher acreage.

**India has raised MSP by Rs 85 per quintal to Rs 1925 per quintal for MY 2020-21. The hike in MSP is lowest in last three years.** Even though this increase is lower it has still widened the gap between domestic and international prices. India wheat FoB at Kandla is ruling around \$312 per tonne compared to \$203.5 per tonne for Russian wheat with 11.5 percent protein content.

**As per trade source, India has exported around 10.64 thousand tonnes in the month of September-2019.** The quantity in September-2019 was exported at an average FOB of \$ 373.12 per tonne and the major destinations were Nepal, Jordan, UAE and Somalia. Exports are likely to be at lower side as other countries are able to provide quality wheat at competitive prices.

**International Market Update:**

**According to official sources, Egypt's state grain buyer bought 465,000 tonnes of wheat** in an international purchase tender last week. The purchase comprised of 345,000 tonnes of Russian wheat and 120,000 tonnes of Ukrainian wheat.

**According to government sources, Zimbabwe has removed import controls on wheat flour** following a severe drought that has reduced supplies in the country. Millers will no longer be able to buy grain at subsidized prices from the state grain agency.

**In U.K., area under winter wheat is forecast to decline by 10 percent compared to previous year.** Continued wet weather has prolonged this autumn's drilling season and growers intend to plant 1.65 million hectares compared to 1.82 million hectares previous year.

**According to official sources, Egypt's state grain buyer bought 465,000 tonnes of wheat in an international purchase tender** last week. The purchase comprised of 345,000 tonnes of Russian wheat and 120,000 tonnes of Ukrainian wheat.

**According to the government, Algeria has decided to cap soft wheat imports at 4 million tonnes a year,** down from 6.2 million tonnes. The move is designed to preserve foreign currency and reduce Algerian imports of cereals, especially soft wheat.

Wheat Futures Contract: NCDEX Price							Date:27.11.2019 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
19-Dec	0	2141	2141	2141	2141	0	0	0	0
20-Jan	0	2151	2151	2151	2151	0	0	40	0
20-Feb	0	2161	2161	2161	2161	0	0	10	10

Spread	Dec-19	Jan-20	Feb-20
Spot Narella	NA		
19-Nov	-		
19-Dec		10	
20-Jan			10

Stocks	Demat	In-Process	Total	EDD
	26.Nov.19	26.Nov.19	26.Nov.19	25.Nov.19
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	9067	-	9067	9067
Baran	-	-	-	-

Wheat Daily Prices and Arrivals on 27.11.2019

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			27-Nov-19	26-Nov-19	
Delhi	Lawrence Road	Mill Delivery	2275	2270	5
	Narella	Mill Quality Loose	Closed	2240	-
	Nazafgarh	Mill Quality Loose	Closed	2180	-
Gujarat	Rajkot	Mill Delivery	2220	2230	-10
	Ahmedabad	Mill Delivery	2270	2280	-10
	Surat	Mill Delivery	2330	2340	-10
	Dhrol	Mill Quality Loose	2420	2325	95
M.P.	Indore	Mill Delivery	2260	Closed	-
	Bhopal	Mill Quality Loose	2125	Closed	-
Rajasthan	Kota	Mill Quality Loose	2035	2030	5
		Mill Delivery	2150	2135	15
U.P.	Kanpur	Mill Delivery	2100	2100	Unch
	Mathura	Mill Quality Loose	NA	NA	-
	Kosi	Mill Quality Loose	2050	2050	Unch
	Hathras	Mill Quality Loose	2025	2000	25

	Aligarh	Mill Quality Loose	Closed	2050	-
<b>Punjab</b>	Khanna	Mill Quality Loose	NA	NA	-
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Delivery loose	2125	2120	5
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	2180	2160	20
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
<b>Tamil Nadu</b>	Chennai	Mill Quality	2450	2450	Unch
	Madurai	Mill Quality	2507	2507	Unch
	Coimbatore	Mill Quality	2507	2507	Unch
<b>Bihar</b>	Khagariya	Mill Delivery	2100	2100	Unch
	Muzaffarpur	Mill Delivery	2000	2000	Unch
<b>FOR</b>	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			27-Nov-19	26-Nov-19	
<b>Gujarat</b>	Rajkot	Lokwan	2275	2275	Unch
<b>M.P.</b>	Indore	Lokwan	2500	Closed	-
	Bhopal	Lokwan	2300	Closed	-
	Bina	Sarbati 306	Closed	Closed	-
<b>Rajasthan</b>	Kota	Lokwan Bilty	2250	2250	Unch
	Baran	Lokwan	NA	NA	-

**Wheat Arrivals in Key Centers:**

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			27-Nov-19	26-Nov-19	
<b>Delhi</b>	Lawrence Road	Mill Delivery	6000	6000	Unch
	Narella	Mill Quality Loose	Closed	100	-
	Nazafgarh	Mill Quality Loose	Closed	50	-
<b>Gujarat</b>	Rajkot	Mill Quality Loose	1100	1200	-100
	Dhrol	Mill Quality Loose	11	25	-14

<b>M.P.</b>	Indore	Mill Quality Loose	5000	Closed	-
<b>Rajasthan</b>	Kota	Mill Quality	4000	4500	<b>-500</b>
<b>U.P.</b>	Kanpur	Mill Quality Loose	800	1000	<b>-200</b>
	Mathura	Mill Quality Loose	NA	NA	-
	Kosi	Mill Quality Loose	200	200	<b>Unch</b>
	Hathras	Mill Quality Loose	900	450	<b>450</b>
	Aligarh	Mill Quality Loose	Closed	250	-
<b>Punjab</b>	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Quality Loose	300	300	<b>Unch</b>
	Hodal	Mill Quality Loose	100	100	<b>Unch</b>
	Bhiwani	Mill Quality Loose	400	300	<b>100</b>
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

<b>Wheat Products Delhi</b>	<b>27-Nov-19</b>	<b>26-Nov-19</b>	<b>Change</b>
Atta (50kg) Ordinary	1200	1200	<b>Unch</b>
Maida Grade 1 (50KG)	1400	1400	<b>Unch</b>
Suji (50kg)	1335	1335	<b>Unch</b>
Chokar (50 kg)	932	932	<b>Unch</b>
Chokar (34 kg)	634	634	<b>Unch</b>
Chakki Atta (50kg)	1362	1362	<b>Unch</b>
Chakki Atta (50kg) Special	1387	1387	<b>Unch</b>
Chakki Atta (90kg) Superfine	2511	2511	<b>Unch</b>
Chakki Atta (50kg) Superfine	1395	1395	<b>Unch</b>

<b>Wheat (CBOT) Future Price: 26.11.2019</b>					
<b>Contract Month</b>	<b>Open</b>	<b>High</b>	<b>Low</b>	<b>Close</b>	<b>Change</b>
<b>19-Dec</b>	530.75	531.75	525.5	530.25	<b>-0.75</b>
<b>20-Mar</b>	532.5	532.75	525.75	531	<b>-2.00</b>
<b>20-May</b>	536.25	536.5	529.75	535	<b>-1.5</b>
<b>20-Jul</b>	535.75	536	530	534.75	<b>-1.25</b>
<b>20-Sep</b>	541.25	542	536.5	541	<b>-1.25</b>
<b>20-Dec</b>	551.75	551.75	546.75	550.75	<b>-1.75</b>

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2019 Indian Agribusiness Systems Ltd.