

**Wheat Domestic Fundamentals:**

**As per latest update, area sown until 29<sup>th</sup> November-19 is 150.74 lakh hectares compared to 141.25 lakh hectare in the previous Rabi season.** The normal area is 305.58 lakh hectares. Acreage under wheat has increased in the states of Madhya Pradesh and Rajasthan till date.

**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.

**Wheat WPI has increased from 158.3 in September -2019 to 160.6 in October-2019.** Monthly wheat inflation has increased by 1.45 percent in October-2019 compared to previous month.

**India received monsoon rains during the June-September season that were 10% above average** and the rainfall continued during October and November, increasing soil moisture levels required for crop sowing. Farmers are likely to increase the acreage under wheat as it a more stable crop following purchase by the government. However sowing has been delayed following wet weather and yield could be affected. Much depends on the weather conditions in the coming days.

**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.

**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.

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**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.

**According to trade sources, Argentina is set to dominate Asia's grain market for a second consecutive year in 2020** as trading companies are already buying significant volumes anticipating good first-quarter demand in the region. Drought in Australia is likely to reduce exports from the country.

Wheat Futures Contract: NCDEX Price							Date:29.11.2019 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
19-Dec	0	2136	2136	2136	2136	0	0	0	0
20-Jan	-1	2146	2145	2145	2145	30	30	40	40
20-Feb	0	2156	2156	2156	2156	0	0	10	0

Spread	Dec-19	Jan-20	Feb-20
Spot Narella	2180		
19-Nov	-44		
19-Dec		9	
20-Jan			11

Stocks	Demat	In-Process	Total	EDD
	28.Nov.19	28.Nov.19	28.Nov.19	25.Nov.19
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	9067	-	9067	9067
Baran	-	-	-	-

Wheat Daily Prices and Arrivals on 29.11.2019

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			29-Nov-19	28-Nov-19	
Delhi	Lawrence Road	Mill Delivery	2270	2275	-5
	Narella	Mill Quality Loose	2180	2200	-20
	Nazafgarh	Mill Quality Loose	2150	2180	-30
Gujarat	Rajkot	Mill Delivery	2220	2220	Unch
	Ahmedabad	Mill Delivery	2275	2275	Unch
	Surat	Mill Delivery	2340	2340	Unch
	Dhrol	Mill Quality Loose	2430	2330	100
M.P.	Indore	Mill Delivery	2175	2175	Unch
	Bhopal	Mill Quality Loose	2100	2125	-25
Rajasthan	Kota	Mill Quality Loose	2030	2030	Unch
		Mill Delivery	2150	2150	Unch
U.P.	Kanpur	Mill Delivery	2100	2100	Unch
	Mathura	Mill Quality Loose	NA	NA	-
	Kosi	Mill Quality Loose	2060	2050	10
	Hathras	Mill Quality Loose	2000	2025	-25

	Aligarh	Mill Quality Loose	2050	2050	Unch
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	2125	2125	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	2190	2180	10
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2450	2450	Unch
	Madurai	Mill Quality	2507	2507	Unch
	Coimbatore	Mill Quality	2507	2507	Unch
Bihar	Khagariya	Mill Delivery	2100	2100	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
			29-Nov-19	28-Nov-19	
Gujarat	Rajkot	Lokwan	2275	2275	Unch
M.P.	Indore	Lokwan	2500	2500	Unch
	Bhopal	Lokwan	2250	2300	-50
	Bina	Sarbati 306	2500	2500	Unch
Rajasthan	Kota	Lokwan Bilty	2250	2250	Unch
	Baran	Lokwan	NA	NA	-

### Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			29-Nov-19	28-Nov-19	
Delhi	Lawrence Road	Mill Delivery	7000	8000	-1000
	Narella	Mill Quality Loose	200	150	50
	Nazafgarh	Mill Quality Loose	20	10	10
Gujarat	Rajkot	Mill Quality Loose	700	1000	-300
	Dhrol	Mill Quality Loose	41	16	25

<b>M.P.</b>	Indore	Mill Quality Loose	4000	5000	<b>-1000</b>
<b>Rajasthan</b>	Kota	Mill Quality	3000	3500	<b>-500</b>
<b>U.P.</b>	Kanpur	Mill Quality Loose	700	800	<b>-100</b>
	Mathura	Mill Quality Loose	NA	NA	-
	Kosi	Mill Quality Loose	250	250	<b>Unch</b>
	Hathras	Mill Quality Loose	250	300	<b>-50</b>
	Aligarh	Mill Quality Loose	200	300	<b>-100</b>
<b>Punjab</b>	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Quality Loose	300	200	<b>100</b>
	Hodal	Mill Quality Loose	50	50	<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>29-Nov-19</b>	<b>28-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: 28.11.2019</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	533	525.75	528.5	<b>-1.75</b>
<b>20-Mar</b>	530.75	533.25	526	526.75	<b>-4.25</b>
<b>20-May</b>	534.5	536.75	530.25	531	<b>-4</b>
<b>20-Jul</b>	534.75	536.25	531	531.5	<b>-3.25</b>
<b>20-Sep</b>	540.5	542	537.5	537.75	<b>-3.25</b>
<b>20-Dec</b>	549.75	552	547.5	548	<b>-2.75</b>

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