

**Wheat Domestic Fundamentals:**

**As per latest update, area sown until 6th December-19 is 202.54 lakh hectares compared to 194.21 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 declined by 0.69 percent to Rs. 2218.98 per quintal during the week ended 7th December 2019. Wheat average price were ruling at Rs 2234.40 per quintal during 23-30 November 2019. As compared to prices in the week 01-07 December 2018, the prices are firm by 6.62 percent. Prices are expected to remain steady to weak in coming days amid increase in wheat acreage till date.**

**In Sangrur district, the attack of armyworms and pink stem borer has affected the wheat crop spread over 2,500 acres here. Farmers claim that the sowing of wheat without burning of paddy stubble has caused the disease. Agricultural experts are organising special meetings to spread awareness about preventive measures and some farmers have started ploughing their crops.**

**Acreage under wheat is expected to reach new high this season amid ample availability of water following good rains and wheat offers a stable yield. Better returns is also motivating the farmers to increase the acreage. Farmers are seen shifting from chana and mustard to the crop. Sowing is mainly higher in the states of Madhya Pradesh and Rajasthan. Weather in coming days will determine actual increase in output.**

**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.**

**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 France's Farm Ministry, winter wheat area for 2020 is estimated at 4.73 million hectares. This is 4.8% lower compared to this year. France is the largest grain producer in European Union. Heavy rain has disrupted autumn sowing of wheat in France along with other grains and oilseeds.**

**INTL FCStone has forecast Australian wheat production for the 2019-20 season at 14.97 MMT, below the country's latest official estimate of 15.85 MMT. Drought in the country's east shows no signs of easing thereby leading to lower production.**

**Japan's Ministry of Agriculture has sought 160,640 tonnes of food-quality wheat from the United States and Canada in a regular tender on December 03, 2019. Japan, the world's sixth-largest wheat importer, keeps a tight grip on imports of the country's second-most important staple after rice and buys the majority of the grain for milling via tenders typically issued three times a month. The tender will close late Thursday on 05 December, 2019.**

**Iraq has outlined its wheat import goal for 2020. It has planned to purchase 750,000 tonnes of wheat from abroad in 2020 and nationwide protests that have extended to a key port were not disrupting shipments so far according to sources at the Iraq Grain Board. Iraq needs between 4.5 million and 5 million tonnes of wheat a year to supply its food rationing program. It mixes local wheat with grain from Australia, Canada and the United States.**

**Australia's agricultural department has reduced its forecast for wheat production in 2019-20 (April –March) following unfavourable weather in the growing regions. The wheat production is expected to fall 16.8% to 15.85 MMT according to the Bureau of Agricultural and Resource Economics and Sciences. The forecast is 8.4% lower from the amount of wheat produced in 2018-19. Western Australia, one of the major wheat producing regions in Australia was hit by below-average winter rainfall and above-average temperatures, leading to a decline in wheat production by 41% to around 6 MMT.**

Wheat Futures Contract: NCDEX Price							Date:10.12.2019 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
19-Dec	0	2130	2130	2130	2130	0	0	0	0
20-Jan	0	2140	2140	2140	2140	0	0	40	0
20-Feb	0	2150	2150	2150	2150	0	0	10	0

Spread	Dec-19	Jan-20	Feb-20
Spot Narella	2200		
19-Nov	-71		
19-Dec		10	
20-Jan			10

Stocks	Demat	In-Process	Total	EDD
	09.Dec.19	09.Dec.19	09.Dec.19	09.Dec.19
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	1225	-	1225	1225
Baran	-	-	-	-

**Wheat Daily Prices and Arrivals on 10.12.2019**

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			10-Dec-19	09-Dec-19	
Delhi	Lawrence Road	Mill Delivery	2250	2250	Unch
	Narella	Mill Quality Loose	2200	2200	Unch
	Nazafgarh	Mill Quality Loose	2150	2150	Unch
Gujarat	Rajkot	Mill Delivery	2210	2200	10
	Ahmedabad	Mill Delivery	2250	2240	10
	Surat	Mill Delivery	2330	2320	10
	Dhrol	Mill Quality Loose	2520	2500	20
M.P.	Indore	Mill Delivery	2230	2240	-10
	Bhopal	Mill Quality Loose	2125	2130	-5
Rajasthan	Kota	Mill Quality Loose	2010	2010	Unch
		Mill Delivery	2150	2130	20
U.P.	Kanpur	Mill Delivery	2090	2100	-10
	Mathura	Mill Quality Loose	2040	2030	10
	Kosi	Mill Quality Loose	2080	2060	20
	Hathras	Mill Quality Loose	2050	2050	Unch

	Aligarh	Mill Quality Loose	2000	2000	Unch
Punjab	Khanna	Mill Quality Loose	2010	2010	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	2140	2140	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	2200	2200	Unch
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2500	2500	Unch
	Madurai	Mill Quality	2557	2557	Unch
	Coimbatore	Mill Quality	2557	2557	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
			10-Dec-19	09-Dec-19	
Gujarat	Rajkot	Lokwan	2250	2275	-25
M.P.	Indore	Lokwan	2600	2600	Unch
	Bhopal	Lokwan	2250	2250	Unch
	Bina	Sarbati 306	2500	2500	Unch
Rajasthan	Kota	Lokwan Bilty	2200	2175	25
	Baran	Lokwan	NA	NA	-

**Wheat Arrivals in Key Centers:**

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			10-Dec-19	09-Dec-19	
Delhi	Lawrence Road	Mill Delivery	8000	7000	1000
	Narella	Mill Quality Loose	250	200	50
	Nazafgarh	Mill Quality Loose	100	100	Unch
Gujarat	Rajkot	Mill Quality Loose	600	450	150
	Dhrol	Mill Quality Loose	16	9	7

<b>M.P.</b>	Indore	Mill Quality Loose	5000	4000	<b>1000</b>
<b>Rajasthan</b>	Kota	Mill Quality	3500	3500	<b>Unch</b>
<b>U.P.</b>	Kanpur	Mill Quality Loose	500	500	<b>Unch</b>
	Mathura	Mill Quality Loose	230	220	<b>10</b>
	Kosi	Mill Quality Loose	150	200	<b>-50</b>
	Hathras	Mill Quality Loose	350	350	<b>Unch</b>
	Aligarh	Mill Quality Loose	150	150	<b>Unch</b>
<b>Punjab</b>	Khanna	Mill Quality Loose	600	600	<b>Unch</b>
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	<b>-</b>
<b>Haryana</b>	Sirsa	Mill Quality Loose	200	200	<b>Unch</b>
	Hodal	Mill Quality Loose	50	50	<b>Unch</b>
	Bhiwani	Mill Quality Loose	300	500	<b>-200</b>
	Karnal	Mill Delivery	NA	NA	<b>-</b>
	Panipat	Mill Quality Loose	NA	NA	<b>-</b>

<b>Wheat Products Delhi</b>	<b>10-Dec-19</b>	<b>09-Dec-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: 09.12.2019</b>					
<b>Contract Month</b>	<b>Open</b>	<b>High</b>	<b>Low</b>	<b>Close</b>	<b>Change</b>
<b>19-Dec</b>	532.50	533.25	531.00	532.00	<b>-0.50</b>
<b>20-Mar</b>	523.75	526.00	520.25	522.75	<b>-1.75</b>
<b>20-May</b>	527.25	529.00	523.75	526.00	<b>-1.75</b>
<b>20-Jul</b>	529.50	531.25	526.50	528.75	<b>-1.25</b>
<b>20-Sep</b>	535.50	537.50	533.00	535.50	<b>-0.75</b>
<b>20-Dec</b>	545.75	548.00	543.50	546.00	<b>-0.50</b>

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