

## Wheat Domestic Fundamentals:

**As per latest update, area sown until 10<sup>th</sup> January-20 is 326.46 lakh hectares compared to 293.81 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, Gujarat, Haryana, Maharashtra, Rajasthan and Uttar Pradesh till date.**

**The Agriculture and Farmers' Welfare Department has issued an advisory for the wheat farmers in Jalandhar against Yellow Rust disease in the crop and also asked farmers to avoid unnecessary use of the urea. The yellow rust is a disease that causes loss in crop yield and the disease appears as yellow coloured, powdery linear stripes on the leaves.**

**As per market sources, wheat stock in central pool as on 1st December'19 stood at 351.75 lakh tonnes down by 5.89% compared to last month. This quantity is higher by around 14.84% 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 3.10 percent to Rs. 2380.46 per quintal during the week ended 11th January 2020. Wheat average price were ruling at Rs 2308.81 per quintal during 01-07 January 2020. As compared to prices in the week 08-15 January 2019, the prices are higher by 11.11 percent. Prices are expected to continue steady to firm tone in coming days amid good demand in the domestic market.**

**The Food Crop of India (FCI) has proposed reducing the offer price of wheat under the open market sale scheme to 2,145 rupees per 100 kg from 2,245 rupees to make the central pool stock more attractive for bulk users according to a senior government official. It has also suggested offering lustre-lost wheat procured last year at 2,080 rupees per 100 kg. The decision is yet to be approved by the ministry.**

**According to FCI, wheat stocks in the central pool as on 1st December 2019, is reported at 351 lakh metric tonnes, which is at seven-year high. Stocks have increased amid 'open-ended' procurement in recent years, as a result of which the Centre has been procuring a third of the wheat output, against about 25 per cent some years back. This year farmers in Madhya Pradesh, Gujarat and Maharashtra are shifting from chana towards wheat following higher soil moisture and water availability leading to higher acreage till date. Storage will become an issue for the government following higher stocks currently and another year of expected bumper production. Weather in the coming days will determine the actual output of wheat.**

**Wheat WPI has increased from 164.4 in November -2019 to 165.7 in December -2019. Monthly wheat inflation has increased by 0.79 percent in December -2019 compared to previous month.**

**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 21.40 thousand tonnes in the month of November-2019. The quantity in November-2019 was exported at an average FOB of \$ 298.15 per tonne and the major destinations were Bangladesh, Nepal, Jordan, UAE and Sri Lanka. Exports are likely to be at lower side as other countries are able to provide quality wheat at competitive prices.**

## International Market Update:

**Japan's Ministry of Agriculture sought 117,831 metric tonnes of food-quality wheat from U.S., Canada and Australia. The tender will close on Thursday.**

**According to the latest data released by the Agriculture Ministry, land under wheat cultivation in Iran has reached 6 million hectares in the current cultivation season (started late September of 2019). This almost equals the area under cultivation last year, which means production will likely remain the same as last year.**

**Britain's wheat exports in November were 67,706 tonnes compared to previous month's 257,338 tonnes. Total wheat exports for 2019-20, which started July 1, were 741,546 tonnes, up from 134,209 tonnes during the same period previous year. Wheat exports are expected to increase this season, with production rising nearly 20% to a four-year high of 16.22 MMT according to trade sources. Imports in November declined to 58,242 tonnes compared to 74,989 tonnes in the previous month. Cumulative wheat imports for the season are down to 435,743 tonnes compared to 1.04 MMT in the same period a year ago.**

**According to the National Agricultural Statistics Service, Kansas farmers have seeded an estimated 6.9 million acres into winter wheat this season. The state's winter wheat acreage is equal to the area planted a year earlier. The agency also reported that about 394 million bushels of wheat is now stored in the state, down 13 percent from the amount in storage at this time a year ago.**

Wheat Futures Contract: NCDEX Price							Date: 16.01.2020 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
20-Jan	0	2264	2264	2264	2264			10	0
20-Feb	0	2274	2274	2274	2274			20	0
20-Mar	0	2284	2284	2284	2284				

Spread	Jan-19	Feb-20	Mar-20
Spot Narella	2270		
20-Jan	-6		
20-Feb		10	
20-Mar			10

Stocks	Demat	In-Process	Total	EDD
	4..Jan.20	4.Jan.20	4.Jan.20	30.Dec.19
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	20	-	20	967
Baran	-	-	-	-

## Wheat Daily Prices and Arrivals on 16.01.2020

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			16-Jan-20	15-Jan-20	
Delhi	Lawrence Road	Mill Delivery	2350	2350	Unch
	Narella	Mill Quality Loose	2270	Closed	-
	Nazafgarh	Mill Quality Loose	2225	Closed	-
Gujarat	Rajkot	Mill Delivery	2340	2330	10
	Ahmedabad	Mill Delivery	2440	2450	-10
	Surat	Mill Delivery	2500	2500	Unch
	Dhrol	Mill Quality Loose	2550	2485	65
M.P.	Indore	Mill Delivery	2300	Closed	-
	Bhopal	Mill Quality Loose	2225	Closed	-
Rajasthan	Kota	Mill Quality Loose	2200	Closed	-
		Mill Delivery	2300	Closed	-
U.P.	Kanpur	Mill Delivery	2200	Closed	-
	Mathura	Mill Quality Loose	2200	2190	10
	Kosi	Mill Quality Loose	2200	2200	Unch
	Hathras	Mill Quality Loose	NR	2150	-

	Aligarh	Mill Quality Loose	NA	Closed	-
Punjab	Khanna	Mill Quality Loose	2160	NR	-
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	2200	2200	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	2320	2300	20
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2600	Closed	-
	Madurai	Mill Quality	2657	Closed	-
	Coimbatore	Mill Quality	2657	Closed	-
Bihar	Khagariya	Mill Delivery	2200	2200	Unch
	Muzaffarpur	Mill Delivery	2200	2200	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			16-Jan-20	15-Jan-20	
Gujarat	Rajkot	Lokwan	2400	2400	Unch
M.P.	Indore	Lokwan	2600	Closed	-
	Bhopal	Lokwan	2300	Closed	-
	Bina	Sarbati 306	Closed	Closed	-
Rajasthan	Kota	Lokwan Bilty	2350	Closed	-
	Baran	Lokwan	NA	NA	-

### Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			16-Jan-20	15-Jan-20	
Delhi	Lawrence Road	Mill Delivery	6000	5500	500
	Narella	Mill Quality Loose	100	Closed	-
	Nazafgarh	Mill Quality Loose	50	Closed	-
Gujarat	Rajkot	Mill Quality Loose	500	100	400
	Dhrol	Mill Quality Loose	12	13	-1

<b>M.P.</b>	Indore	Mill Quality Loose	2000	Closed	-
<b>Rajasthan</b>	Kota	Mill Quality	1500	Closed	-
<b>U.P.</b>	Kanpur	Mill Quality Loose	1500	Closed	-
	Mathura	Mill Quality Loose	210	260	<b>-50</b>
	Kosi	Mill Quality Loose	100	100	<b>Unch</b>
	Hathras	Mill Quality Loose	NR	150	-
	Aligarh	Mill Quality Loose	NA	Closed	-
<b>Punjab</b>	Khanna	Mill Quality Loose	500	NR	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Quality Loose	200	200	<b>Unch</b>
	Hodal	Mill Quality Loose	100	100	<b>Unch</b>
	Bhiwani	Mill Quality Loose	500	600	<b>-100</b>
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

<b>Wheat Products Delhi</b>	<b>16-Jan-20</b>	<b>15-Jan-20</b>	<b>Change</b>
Atta (50kg) Ordinary	NA	1200	-
Maida Grade 1 (50KG)	NA	1400	-
Suji (50kg)	NA	1335	-
Chokar (50 kg)	NA	932	-
Chokar (34 kg)	NA	634	-
Chakki Atta (50kg)	NA	1362	-
Chakki Atta (50kg) Special	NA	1387	-
Chakki Atta (90kg) Superfine	NA	2511	-
Chakki Atta (50kg) Superfine	NA	1395	-

<b>Wheat (CBOT) Future Price: 15.01.2020</b>					
<b>Contract Month</b>	<b>Open</b>	<b>High</b>	<b>Low</b>	<b>Close</b>	<b>Change</b>
<b>20-Mar</b>	569.00	578.75	568.25	573.25	<b>4.75</b>
<b>20-May</b>	570.50	579.25	570.00	574.00	<b>3.75</b>
<b>20-Jul</b>	572.00	579.50	571.50	574.75	<b>3.00</b>
<b>20-Sep</b>	577.00	583.75	576.50	579.50	<b>3.00</b>
<b>20-Dec</b>	585.00	591.00	584.25	587.00	<b>2.25</b>
<b>21-Mar</b>	591.00	596.25	591.00	593.25	<b>1.75</b>

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