

**Wheat Domestic Fundamentals:**

**As per Uttarakhand government, Minimum Support Price (MSP)** of Wheat has been hiked by Rs. 65 to Rs. 1,925 per quintal from 1,860 per quintal.

**As per the latest update wheat cash market is likely to trade steady to weak amid new crop arrival in Madhya Pradesh.** Stockists are offloading stocks in Rajasthan ahead of the new crop arrival expected by next week. In Uttar Pradesh arrival is likely to be delayed following recent rainfall.

**Rain and thunder showers have been reported in certain wheat growing regions of Punjab, Haryana, Rajasthan and western Uttar Pradesh.** However as of now yield is not likely to be affected. Any rain accompanied with velocity winds and hailstorm can be a cause of concern.

**Cases of the yellow rust attack on wheat crop have been reported in Kangra and Una districts of Himachal Pradesh.** There is lack of availability of pesticides according to the farmers thereby leading to yellow rust cases in almost all parts of the district.

**As per Govt. sources the second crop forecast of India is projected to produce a record 106.2 million tonnes** of wheat crop in 2019-20 because of favourable weather conditions and improve crop yields. Wheat output is expected to go up by 2.5% in the crop year. Which expected to reach 291.9 million tonnes in 2019-20 from 285.2 million tonnes last year.

**As per latest update, area sown until 31<sup>st</sup> January-20 is 336.18 lakh hectares compared to 299.30 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, Maharashtra and Rajasthan till date.

**As per market experts bumper production seems on the card** despite unseasonal rains and locusts attack in Rajasthan. This year there will be record food grain production led by wheat along with corn and jowar. Wheat production during Rabi 2019-20 is estimated at 109 MMT which is 6.27% higher than last year production of 102.1 MMT. Production of wheat is expected to increase following higher acreage amid increase in MSP. Farmers prefer wheat over other Rabi crops in irrigated areas because of assured return as FCI undertakes procurement at MSP. Secondly, prolonged cold waves and winter rainfall in certain states have contributed to increase in yield of wheat.

**As per market sources, wheat stock in central pool as on 1st February'20 stood at 303.66 lakh tonnes down by 7.41% compared to last month.** This quantity is higher by around 26.89% 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 4.19 percent to Rs. 2137.82 per quintal during the week** ended 28th February 2020. Wheat average price were ruling at Rs 2231.28 per quintal during 16-23 February 2020. As compared to prices in the week 24-28 February 2019, the prices are higher by 5.58 percent. Prices are expected to trade steady to weak in coming days amid lack of demand in the spot market. Though unseasonal rains, yellow rust and locust attacks have been reported in some areas, bumper production is expected this season.

**International Market Update:**

**According to ABARES, wheat production is likely to rebound in 2020/21.** ABARES is projecting Australian wheat production to increase by 40 per cent in 2020/21 to 21.3 MMT after recent rain across eastern Australia. ABARES expects national wheat plantings to increase by 20pc to 12 million hectares up from 10.1 million hectares last year. Wheat planting is expected to start off in coming weeks in some areas of the northern cropping zones and will continue into the winter in the south.

**Wheat production in Kazakhstan in 2019-20 is estimated at 11.5 MMT, 17%, lower than the previous year** as a dry summer and rains during harvest had a significant impact on output, according to a March 4 Global Agricultural Information Network report from the U.S. Department of Agriculture (USDA). According to the agency, 2020-21 wheat harvest is expected to be around 12 MMT, just slightly higher than the current marketing year.

**Jordan's state grain buyer the trade ministry has issued an international tender to buy 120,000 tonnes of milling wheat** which can be sourced from optional origins according to European traders. The tender will close on March 10, 2020. The new tender seeks hard wheat for shipment in a range of possible combinations in 60,000 tonne consignments. Possible shipment periods are Sept. 16-30, Oct. 1-15, Oct. 16-31 and Nov. 1-15.

**Turkey's state grain board TMO has issued a series of international tenders to purchase a total of some 305,000 tonnes** of wheat according to European traders. The tenders will close on March 11, 2020. Shipment is sought between March 20 and April 7 and red milling wheat is sought. The wheat is sought for unloading in eight Turkish ports in a series of consignments of between 60,000 and 25,000 tonnes.

Wheat Futures Contract: NCDEX Price							Date: 09.03.2020 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
20-Mar	0	2105	2105	2105	2105				
20-Apr	0	1911	1911	1911	1911				
20-May	0	1910	1910	1910	1910				

Spread	Feb-20	Mar-20	Apr-20
Spot Narella	2150		
20-Feb	-45		
20-Mar		-194	
20-Apr			-1

Stocks	Demat	In-Process	Total	EDD
	07.Mar.20	07.Mar.20	07.Mar.20	02.Mar.20
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	-	-	-	-
Baran	-	-	-	-

### Wheat Daily Prices and Arrivals on 09.03.2020

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			09-Mar-20	07-Mar-20	
Delhi	Lawrence Road	Mill Delivery	2215	2210	5
	Narella	Mill Quality Loose	2150	2100	50
	Nazafgarh	Mill Quality Loose	2075	2080	-5
Gujarat	Rajkot	Mill Delivery	1790	1830	-40
	Ahmedabad	Mill Delivery	1920	1950	-30
	Surat	Mill Delivery	1940	2000	-60
	Dhrol	Mill Quality Loose	2100	1970	130
M.P.	Indore	Mill Delivery	2075	2100	-25
	Bhopal	Mill Quality Loose	1900	1950	-50
Rajasthan	Kota	Mill Quality Loose	2030	2050	-20
		Mill Delivery	2125	2100	25
U.P.	Kanpur	Mill Delivery	NR	2100	-
	Mathura	Mill Quality Loose	Closed	2010	-
	Kosi	Mill Quality Loose	Closed	2050	-
	Hathras	Mill Quality Loose	Closed	2000	-

	Aligarh	Mill Quality Loose	Closed	2040	-
Punjab	Khanna	Mill Quality Loose	1960	1920	40
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	2030	2030	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	Closed	2100	-
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2400	2400	Unch
	Madurai	Mill Quality	2457	2457	Unch
	Coimbatore	Mill Quality	2457	2457	Unch
Bihar	Khagariya	Mill Delivery	Closed	2100	-
	Muzaffarpur	Mill Delivery	Closed	2080	-
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			09-Mar-20	07-Mar-20	
Gujarat	Rajkot	Lokwan	1825	1850	-25
M.P.	Indore	Lokwan	2200	2300	-100
	Bhopal	Lokwan	2100	2100	Unch
	Bina	Sarbati 306	Closed	2300	-
Rajasthan	Kota	Lokwan Bilty	2200	2200	Unch
	Baran	Lokwan	NA	NA	-

### Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			09-Mar-20	07-Mar-20	
Delhi	Lawrence Road	Mill Delivery	2500	7000	-4500
	Narella	Mill Quality Loose	150	100	50
	Nazafgarh	Mill Quality Loose	60	100	-40
Gujarat	Rajkot	Mill Quality Loose	9000	5000	4000
	Dhrol	Mill Quality Loose	12	28	-16

<b>M.P.</b>	Indore	Mill Quality Loose	10000	10000	<b>Unch</b>
<b>Rajasthan</b>	Kota	Mill Quality	1500	1500	<b>Unch</b>
<b>U.P.</b>	Kanpur	Mill Quality Loose	NR	800	-
	Mathura	Mill Quality Loose	Closed	NA	-
	Kosi	Mill Quality Loose	Closed	300	-
	Hathras	Mill Quality Loose	Closed	50	-
	Aligarh	Mill Quality Loose	Closed	200	-
<b>Punjab</b>	Khanna	Mill Quality Loose	600	700	<b>-100</b>
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
<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	Closed	400	-
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

### Wheat (CBOT) Future Price: 06.03.2020

Contract Month	Open	High	Low	Close	Change
<b>20-Mar</b>	520.00	522.75	516.25	521.25	<b>-3.00</b>
<b>20-May</b>	518.00	520.75	510.00	515.75	<b>-3.00</b>
<b>20-Jul</b>	518.25	521.25	511.50	516.75	<b>-2.75</b>
<b>20-Sep</b>	525.50	528.00	519.00	524.00	<b>-2.50</b>
<b>20-Dec</b>	535.75	539.00	530.50	535.25	<b>-2.50</b>
<b>21-Mar</b>	546.00	548.50	540.75	545.00	<b>-2.50</b>

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