

### Wheat Domestic Fundamentals:

**As per the latest update, wheat markets remain closed following lock down in the country amid spread of Covid -19.** In Punjab, around 3% crop loss is expected in the wheat growing regions following recent rains and hailstorm. However exact crop loss will be clear in the coming days. Price of wheat has mostly increased during last few days due to a rise in demand as consumers are stocking up amid fear of supply disruptions in the country following the outbreak of Corona virus. In Rajasthan prices firmed up as stockists have almost exhausted their stock and new crop arrival will be delayed by 2-3 weeks following recent rainfall.

**The Food Corporation of India (FCI) purchases bulk of the cereal produce in the month of April** in the northern states of Punjab, Haryana and Uttar Pradesh. The procurement process officially commences on April 1 as farmers sell their cereal produce in designated mandis to the government agencies at minimum support price (MSP) in these states. However in the current year, procurement is likely to be delayed by 2 weeks as the country is under lock down amid the spread of Covid-19 in different states. Labour shortage and lack of adequate transportation is likely to delay the process.

**The governments of Uttar Pradesh, Delhi, Kerala, Rajasthan, Karnataka and Punjab** have already decided to deliver free rations in advance to poor and vulnerable sections such as daily wagers, rickshaw pullers and the like. According to official estimates, the stock of food grain (wheat and rice) as on March 10, 2020 was 58.49 MMT, much more than required as a buffer in normal times.

**According to the second advance estimate released by the State of Punjab,** wheat production is estimated to decline to 17.9 MMT in 2019-20 (Jul-Jun) compared with 18.3 MMT in the previous year.

**As per market sources, wheat stock in central pool as on 1st March'20 stood at 275.21 lakh tonnes down by 9.37% compared to last month.** This quantity is higher by around 36.86% 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.

**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 Govt. sources the second crop forecast of India is projected to produce a record 106.2 MMT** 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 is expected to reach 291.9 MMT in 2019-20 from 285.2 MMT 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.

**All India weekly average prices declined by 0.01 percent to Rs. 2029.67 per quintal** during the week ended 23rd March 2020. Wheat average price were ruling at Rs 2029.78 per quintal during 09-15 March 2020. As compared to prices in the week 16-23 March 2019, the prices are higher by 1.58 percent. Prices are expected to trade steady to weak in coming days amid new crop arrival in the market. There could be some recovery in between following increase in retail demand amid fears of supply disruptions in the coming days. With the outbreak of corona virus, there could some supply disruptions in the near –term.

### International Market Update:

**The Taiwan Flour Millers' Association has issued an international tender to purchase 99,450 tonnes** of grade 1 milling wheat to be sourced from the United States according to European traders. The tender will close on March 27, 2020. One consignment of 48,600 tonnes is sought for shipment between May 13 and May 27, while a second of 50,850 tonnes is sought for shipment between May 29 and June 12, 2020.

**Persistent precipitation is affecting the French winter wheat crop.** According to official data, 63% of the crop is in good to excellent condition, down significantly from last year's 85%.

**According to USDA, winter wheat conditions fell slightly in Kansas where 46% of the crop** is now in good to excellent condition. Colorado winter wheat conditions fell 13% week-over-week and 46% of the crop is in good to excellent condition. In Oklahoma, 67% of the winter wheat is in good to excellent condition, up significantly from last week. In Texas, winter wheat conditions are up 10% on the week and 36% of the crop is in good to excellent condition.

**Despite an increase in domestic wheat production in Egypt,** import of the grain continues as consumption rises, according to a Global Agricultural Information Network report from the US Department of Agriculture (USDA). Egypt's wheat production for the marketing year 2020-21 is forecast to increase by 1.5% to 8.9 MMT. The country's consumption of wheat is also anticipated to rise 1% to 20.1 MMT amid increase in population. Imports for the 2020-21 market year are forecast at 12.85 MMT, a slight increase of 0.4% compared with the previous year.

Wheat Futures Contract: NCDEX Price							Date: 24.03.2020 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
20-Apr	0	1855	1855	1855	1855	10	10	10	0
20-May	0	1855	1855	1855	1855				
20-June	0	1855	1855	1855	1855				

Spread	Apr-20	May-20	June-20
Spot Narella	NA		
20-Apr	-		
20-May		-	
20-June			-

Stocks	Demat	In-Process	Total	EDD
	23.Mar.20	23.Mar.20	23.Mar.20	23.Mar.20
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	-	-	-	-
Baran	-	-	-	-

### Wheat Daily Prices and Arrivals on 24.03.2020

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			24-Mar-20	23-Mar-20	
Delhi	Lawrence Road	Mill Delivery	Closed	Closed	-
	Narella	Mill Quality Loose	Closed	Closed	-
	Nazafgarh	Mill Quality Loose	Closed	Closed	-
Gujarat	Rajkot	Mill Delivery	Closed	Closed	-
	Ahmedabad	Mill Delivery	Closed	Closed	-
	Surat	Mill Delivery	Closed	Closed	-
	Dhrol	Mill Quality Loose	Closed	Closed	-
M.P.	Indore	Mill Delivery	Closed	Closed	-
	Bhopal	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality Loose	Closed	Closed	-
		Mill Delivery	Closed	Closed	-
U.P.	Kanpur	Mill Delivery	Closed	Closed	-
	Mathura	Mill Quality Loose	NA	Closed	-
	Kosi	Mill Quality Loose	NA	2090	-
	Hathras	Mill Quality Loose	NA	NA	-

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

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			24-Mar-20	23-Mar-20	
Gujarat	Rajkot	Lokwan	Closed	Closed	-
M.P.	Indore	Lokwan	Closed	Closed	-
	Bhopal	Lokwan	Closed	Closed	-
	Bina	Sarbati 306	closed	closed	-
Rajasthan	Kota	Lokwan Bilty	Closed	Closed	-
	Baran	Lokwan	Closed	Closed	-

### Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			24-Mar-20	23-Mar-20	
Delhi	Lawrence Road	Mill Delivery	Closed	Closed	-
	Narella	Mill Quality Loose	Closed	Closed	-
	Nazafgarh	Mill Quality Loose	Closed	Closed	-
Gujarat	Rajkot	Mill Quality Loose	Closed	Closed	-
	Dhrol	Mill Quality Loose	Closed	Closed	-

<b>M.P.</b>	Indore	Mill Quality Loose	Closed	Closed	-
<b>Rajasthan</b>	Kota	Mill Quality	Closed	Closed	-
<b>U.P.</b>	Kanpur	Mill Quality Loose	Closed	Closed	-
	Mathura	Mill Quality Loose	NA	Closed	-
	Kosi	Mill Quality Loose	NA	320	-
	Hathras	Mill Quality Loose	NA	NA	-
	Aligarh	Mill Quality Loose	Closed	Closed	-
<b>Punjab</b>	Khanna	Mill Quality Loose	Closed	Closed	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Quality Loose	Closed	Closed	-
	Hodal	Mill Quality Loose	Closed	Closed	-
	Bhiwani	Mill Quality Loose	NR	NR	-
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

### Wheat (CBOT) Future Price: 23.03.2020

Contract Month	Open	High	Low	Close	Change
<b>20-May</b>	539.50	563.25	537.25	562.50	<b>23.25</b>
<b>20-Jul</b>	536.50	558.00	534.50	555.75	<b>20.00</b>
<b>20-Sep</b>	538.25	558.50	537.50	555.75	<b>17.50</b>
<b>20-Dec</b>	547.75	565.00	545.00	562.25	<b>15.50</b>
<b>21-Mar</b>	551.75	570.25	551.75	566.50	<b>12.25</b>
<b>21-May</b>	551.00	564.75	547.50	562.00	<b>9.75</b>

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