

Wheat Domestic Fundamentals:

The official procurement of wheat begins in the northern states by first week of April. However considering the current situation, procurement is likely to be delayed. In view of the delayed procurement of wheat due to the ongoing lockdown, the state government has urged the Central Government's to provide incentive ranging from Rs 50 to Rs 125 per quintal to the farmers.

Harvesting of wheat is likely to be delayed in the states of Punjab and Haryana following the recent lockdown in the country. An acute shortage of labour and transportation following country-wide lockdown to halt the spread of the coronavirus outbreak will result in delay in wheat crop harvesting. Most of the farmers will face shortage of manpower in the coming days as the migration of labourers from other states has come to a halt.

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 Indian government has approved the world's largest food security scheme to benefit 80 crore people across the country. Out of them, every person will get 7 kg ration per month for the next three months, including wheat at a cost of Rs 2 per kg, instead of Rs 27 per kg; and rice at cost of Rs 3 per kg, instead of Rs 37 per kg.

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.

All India weekly average prices declined by 0.99 percent to Rs. 2009.51 per quintal during the week ended 31st March 2020. Wheat average price were ruling at Rs 2029.67 per quintal during 16-23 March 2020. As compared to prices in the week 24-31 March 2019, the prices are lower by 0.63 percent. Prices are expected to trade steady to weak amid lock down in the country. 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.

International Market Update:

According to USDA, beneficial rains helped HRW crop conditions across the Great Plains. Kansas wheat conditions increased week-over-week and 48% of the crop is now in good to excellent condition. In Colorado, HRW conditions increased 8% from last week and 54% of the crop is in good to excellent condition. Crop conditions in Oklahoma improved 10% from last week and 77% of the state's winter wheat is in good to excellent condition. In Texas, winter wheat conditions are up 13% on the week and 49% of the crop is in good to excellent condition.

Sindh government has opened 525 wheat procurement centres in 23 districts of the province to begin its procurement drive to collect 1.4 MMT of wheat at a support price of Rs. 1400/40 kilogram. There was no shortage of wheat in the province, and no shortage of wheat flour would be allowed in the city according to the Minister of Agriculture. Wheat is being produced over an area of 1.11 million acres in Sindh, and a production of 3.8 MMT was expected. Sindh government would purchase 1.4 MMT around 37 percent of the total production.

According to Ukraine's Ministry for Development of the Economy, Trade and Agriculture, Ukraine's wheat exports now total 17.3 MMT. Ukraine's total grain exports of 43.6 MMT are 25% ahead of last year's pace.

Grain trade association Cocereal lowered its European Union (EU) soft (non-durum) wheat forecast from 138 MMT in February to 135 MMT in March. If realized, the EU's 2020/21 soft wheat production would fall 8% from last year's 146 MMT.

Germany's association of farm cooperatives estimates the country's 2020/21 wheat crop will fall 1% on the year to 22.8 MMT on decreased planted area.

| Wheat Futures Contract: NCDEX Price | | | | | | | Date: 30.03.2020 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 |
|--------|-----------|------------|-----------|-----------|
| | 27.Mar.20 | 27.Mar.20 | 27.Mar.20 | 23.Mar.20 |
| Delhi | - | - | - | - |
| Itarsi | - | - | - | - |
| Kanpur | - | - | - | - |
| Kota | - | - | - | - |
| Baran | - | - | - | - |

Wheat Daily Prices and Arrivals on 30.03.2020

| Centre | Market | Variety | Prices (Rs/Qtl) | | Change |
|-----------|---------------|--------------------|-----------------|-----------|--------|
| | | | 30-Mar-20 | 28-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 | NA | - |
| | Kosi | Mill Quality Loose | Closed | Closed | - |
| | Hathras | Mill Quality Loose | NR | NR | - |

| | | | | | |
|------------|-------------------------------|---------------------|--------|--------|---|
| | 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 |
|-----------|--------|--------------|-----------------|-----------|--------|
| | | | 30-Mar-20 | 28-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 |
|---------|---------------|--------------------|---------------------|-----------|--------|
| | | | 30-Mar-20 | 28-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 | - |

| | | | | | |
|------------------|-------------------|--------------------|--------|--------|---|
| M.P. | Indore | Mill Quality Loose | Closed | Closed | - |
| Rajasthan | Kota | Mill Quality | Closed | Closed | - |
| U.P. | Kanpur | Mill Quality Loose | Closed | Closed | - |
| | Mathura | Mill Quality Loose | NA | NA | - |
| | Kosi | Mill Quality Loose | Closed | Closed | - |
| | Hathras | Mill Quality Loose | NR | NR | - |
| | Aligarh | Mill Quality Loose | Closed | Closed | - |
| Punjab | Khanna | Mill Quality Loose | Closed | Closed | - |
| | (Ludhiana)Jagraon | Mill Quality Loose | NA | NA | - |
| Haryana | 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: 27.03.2020 | | | | | |
|---------------------------------------|--------|--------|--------|--------|-------------|
| Contract Month | Open | High | Low | Close | Change |
| 20-May | 569.50 | 587.00 | 563.50 | 571.25 | 2.25 |
| 20-Jul | 558.25 | 568.00 | 552.50 | 557.25 | 1.00 |
| 20-Sep | 555.25 | 565.75 | 552.25 | 556.75 | 1.75 |
| 20-Dec | 563.50 | 571.25 | 559.50 | 563.25 | 2.00 |
| 21-Mar | 563.00 | 572.75 | 562.75 | 566.25 | 2.00 |
| 21-May | 565.25 | 571.00 | 563.25 | 563.75 | 2.00 |

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