

**Wheat Domestic Fundamentals:**

**There could be shortage of wheat flour in the coming days amid supply disruptions** following lockdown in the country. Flour millers who process wheat to make atta, maida and suji are operating at 40 -50% of their normal capacity due to labour issue and less supplies of wheat. Though India expects a bumper wheat production this season, harvesting is being delayed following lockdown in the country. How much wheat will be harvested and how much will be officially procured from the farmers will be clear in the coming weeks after further decision is taken when the current lockdown comes to an end on 14<sup>th</sup> April.

**The Indian Council of Agricultural Research has advised wheat farmers to postpone their harvest to April 20** in the wake of the Covid-19 outbreak. The temperature in most wheat growing areas is still below long-term average and therefore, farmers can delay wheat harvesting till April 20 without incurring any significant loss. The official procurement of wheat begins in the northern states by first week of April. 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.

**As per the latest update, wheat markets remain closed following lock down in the country amid spread of Covid -19.** 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. Late harvests mean lower yields, reduced returns, and a smaller window to plant next season's crops, as well as leaving crops vulnerable to rain and hailstorms.

**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:**

**Ukraine, one of the world's leading wheat exporters has reduced its exports of wheat to an average 14,000 tonnes a day in April** from 44,000 tonnes in March to ensure adequate domestic supplies according to the economy ministry. The bakers and millers in the country asked the government to limit grain exports to maintain bread prices in the event of the coronavirus spreading after some nations considered export restrictions. Ukraine had already exported 17.9 MMT of wheat so far in the 2019-20 July-June season and an additional 2.3 MMT would be available for export by the end of the season. Ukraine harvested 28.3 MMT of wheat in 2019 and its domestic consumption totalled 8.2 MMT.

**According to the farm ministry, French soft wheat sowing for the 2020 harvest** will drop 7.5pc from last year to a 17-year low of 4.6 million hectares after adverse autumn weather. The 2020 estimate, which includes a small amount of spring wheat, would be 8pc below the five-year average, it said. Last month the ministry had estimated winter wheat sowing at 4.7 million hectares.

**The European Commission raised its 2019/20 European Union plus Britain soft (non-durum) wheat export** forecast to 30.0 MMT, 2.0 MMT greater than last month's estimate.

**European Union (EU) soft (non-durum) wheat yields for harvest in 2020/21 are expected to drop 2%** from last year on excessively wet field conditions in France throughout the winter. The European Commission pegged the average EU soft wheat yield at 5.88 MT/hectare (87.5 bu/acre).

**The International Grains Council (IGC) forecasts a record global grains crop of 2.22 billion tons in 2020/21, up 2%** from last year. The council pegged global wheat production at 768 MMT, up from this year's 764 MMT. Global domestic consumption in 2020/21 is estimated at 760 MMT, up from this year's 754 MMT.

Wheat Futures Contact: NCDEX Price							Date: 07.04.2020 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	0
20-May	0	1855	1855	1855	1855				
20-June									

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

Stocks	Demat	In-Process	Total	EDD
	06.Apr.20	06.Apr.20	06.Apr.20	06.Apr.20
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	-	-	-	-
Baran	-	-	-	-

### Wheat Daily Prices and Arrivals on 07.04.2020

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			07-Apr-20	06-Apr-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	Closed	Closed	-
	Kosi	Mill Quality Loose	Closed	Closed	-
	Hathras	Mill Quality Loose	Closed	Closed	-

	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	Closed	Closed	-
	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
			07-Apr-20	06-Apr-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
			07-Apr-20	06-Apr-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	Closed	Closed	-
	Kosi	Mill Quality Loose	Closed	Closed	-
	Hathras	Mill Quality Loose	Closed	Closed	-
	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	Closed	Closed	-
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

### Wheat (CBOT) Future Price: 06.04.2020

Contract Month	Open	High	Low	Close	Change
<b>20-May</b>	550.00	561.75	549.75	555.75	<b>6.50</b>
<b>20-Jul</b>	545.75	555.75	545.75	551.00	<b>6.00</b>
<b>20-Sep</b>	548.75	557.00	548.50	552.75	<b>5.75</b>
<b>20-Dec</b>	555.50	563.75	555.25	560.00	<b>5.75</b>
<b>21-Mar</b>	561.50	568.50	561.00	566.25	<b>6.25</b>
<b>21-May</b>	561.00	565.25	559.50	564.75	<b>6.75</b>

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