

**Wheat Domestic Fundamentals:**

**Punjab has started the exercise of procuring 130 lakh tonnes of wheat in the coming two months.** To limit crowding and ensure social distancing, the government is inviting a limited number of farmers through coupons, with permission to sell up to 50 quintals of wheat at their closest grain market. On the first day, only 6,290 coupons were issued in the entire state, followed by 17,995 coupons for Thursday and 41,337 coupons for Friday. The number of coupons will go up to 70,000 per day, depending on space in the markets and pace of harvest arrival. Each coupon allows sale of 50 quintals. The procurement agencies have been asked by the state government to ensure payment to farmers within 48 hours of procurement of their crop.

**The MP government is targeting a procurement of 10 MMT of wheat but wants to make arrangements for 11.5 MMT** as this year more inflows are expected with private trading adversely affected by the lockdown. The shortage of labour at procurement centres and the shortage of HDPE bags used in the process will be two concerns in the procurement process.

**Harvesting of wheat is gathering momentum in Bihar** and it is expected to be completed in the next 10 days. The major wheat producing districts of Bihar are Patna, Nalanda, Bhojpur, Buxar, Rohtas, Muzaffarpur and Sitamarhi.

**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 25 -30% 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.

**India will be exporting around one lakh tonnes of wheat to Afghanistan and Lebanon** under government to government (G2G) arrangement. The country is expecting a record wheat production of 106.21 MMT this year. Despite surplus production, Indian wheat is out of global market due to higher price. But government has been exporting wheat to African and Asian countries on humanitarian ground under G2G arrangement. Nafed has been asked to export 50,000 tonnes to Afghanistan and 40,000 tonnes to Lebanon through diplomatic route according to official sources at the agriculture department.

**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 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 1.23 percent to Rs. 1987.15 per quintal during the week** ended 15th April 2020. Wheat average price were ruling at Rs 2011.99 per quintal during 01-08 April 2020. As compared to prices in the week 09-15 April 2019, the prices are lower by 0.80 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.

**International Market Update:**

**According to USDA, Indonesia's wheat imports will decline to 10.8 MMT in 2019 -20** compared to the previous estimates of 11 MMT. The decline in imports reflects lower wheat flour for food consumption as result of the COVID-19 pandemic.

**According to USDA, 62% of the country's winter wheat is in good to excellent condition compared to 60% last year.** Texas winter wheat ratings rose 6% on the week to 62% good to excellent. Arkansas SRW ratings gained 4% and 48% of the crop is in good to excellent condition. Oklahoma HRW ratings increased 3% on the week and 73% of the crop is in good to excellent condition.

**USDA now expects the United States will export 10.3 MMT of HRW, 7.48 MMT of HRS, 2.59 MMT of SRW, 5.31 MMT of white wheat, and 1.09 MMT of durum.** U.S. HRW, HRS and durum exports will be greater than 2018/19, if realized.

**European Union (EU) soft (non-durum) wheat exports, as of April 6, are up 66% on the year at 24.8 MMT.** According to Reuters, French soft wheat shipments outside the EU for the month of March reached their highest level since 2010 as exporters continued to meet high export demand despite logistical challenges caused by the COVID-19 epidemic.

**Japan's Ministry of Agriculture sought 132,277 metric tonnes of food quality wheat** from the United States, Canada and Australia in a regular tender. The wheat will be loaded between June 01 –June 30, 2020.

**Sudan's government will purchase 200,000 tons of wheat** in a deal with the United Nations' World Food Program according to the finance ministry, in a bid to bolster strategic reserves amid the coronavirus pandemic. The northeast African country consumes two million tons of wheat annually, according to official figures, relying heavily on imports.

Wheat Futures Contact: NCDEX Price							Date: 16.04.2020 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	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
	15-Apr.20	15-Apr.20	15-Apr.20	13-Apr.20
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	-	-	-	-
Baran	-	-	-	-

**Wheat Daily Prices and Arrivals on 16.04.2020**

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			16-Apr-20	15-Apr-20	
<b>Delhi</b>	Lawrence Road	Mill Delivery	Closed	Closed	-
	Narella	Mill Quality Loose	Closed	Closed	-
	Nazafgarh	Mill Quality Loose	Closed	Closed	-
<b>Gujarat</b>	Rajkot	Mill Delivery	Closed	Closed	-
	Ahmedabad	Mill Delivery	Closed	Closed	-
	Surat	Mill Delivery	Closed	Closed	-
	Dhrol	Mill Quality Loose	Closed	Closed	-
<b>M.P.</b>	Indore	Mill Delivery	Closed	Closed	-
	Bhopal	Mill Quality Loose	Closed	Closed	-
<b>Rajasthan</b>	Kota	Mill Quality Loose	Closed	1750	-
		Mill Delivery	Closed	1870	-
<b>U.P.</b>	Kanpur	Mill Delivery	Closed	Closed	-
	Mathura	Mill Quality Loose	1790	1805	<b>-15</b>
	Kosi	Mill Quality Loose	1980	2000	<b>-20</b>
	Hathras	Mill Quality Loose	1800	1850	<b>-50</b>

	Aligarh	Mill Quality Loose	1790	Closed	-
<b>Punjab</b>	Khanna	Mill Quality Loose	Closed	Closed	-
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
	Sirsa	Mill Delivery loose	1925	1925	<b>Unch</b>
<b>Haryana</b>	Hodal	Mill Delivery	Closed	Closed	-
	Bhiwani	Mill Quality Loose	Closed	Closed	-
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
	Chennai	Mill Quality	Closed	2200	-
<b>Tamil Nadu</b>	Madurai	Mill Quality	Closed	2257	-
	Coimbatore	Mill Quality	Closed	2257	-
	Khagariya	Mill Delivery	1900	1900	<b>Unch</b>
<b>Bihar</b>	Muzaffarpur	Mill Delivery	1825	1825	<b>Unch</b>
	Kandla (Rajasthan-Rajkot)	Mill Quality	Closed	Closed	-
<b>FOR</b>	Gandhidham (Rajasthan-Rajkot)	Mill Quality	Closed	Closed	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			16-Apr-20	15-Apr-20	
<b>Gujarat</b>	Rajkot	Lokwan	Closed	Closed	-
<b>M.P.</b>	Indore	Lokwan	Closed	Closed	-
	Bhopal	Lokwan	Closed	Closed	-
	Bina	Sarbati 306	Closed	Closed	-
<b>Rajasthan</b>	Kota	Lokwan Bilty	Closed	2000	-
	Baran	Lokwan	NA	NA	-

**Wheat Arrivals in Key Centers:**

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			16-Apr-20	15-Apr-20	
<b>Delhi</b>	Lawrence Road	Mill Delivery	Closed	Closed	-
	Narella	Mill Quality Loose	Closed	Closed	-
	Nazafgarh	Mill Quality Loose	Closed	Closed	-
<b>Gujarat</b>	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	20000	-
<b>U.P.</b>	Kanpur	Mill Quality Loose	Closed	Closed	-
	Mathura	Mill Quality Loose	25000	20000	<b>5000</b>
	Kosi	Mill Quality Loose	2000	1300	<b>700</b>
	Hathras	Mill Quality Loose	400	3000	<b>-2600</b>
	Aligarh	Mill Quality Loose	6000	Closed	-
<b>Punjab</b>	Khanna	Mill Quality Loose	Closed	Closed	-
	(Ludhiana).Jagraon	Mill Quality Loose	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Quality Loose	500	500	<b>Unch</b>
	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: 15.04.2020

Contract Month	Open	High	Low	Close	Change
<b>20-May</b>	546.50	548.75	529.75	540.25	<b>-8.50</b>
<b>20-Jul</b>	548.00	550.00	531.50	540.50	<b>-9.25</b>
<b>20-Sep</b>	553.75	555.00	537.50	546.00	<b>-8.75</b>
<b>20-Dec</b>	561.75	563.25	546.00	554.50	<b>-8.00</b>
<b>21-Mar</b>	568.50	570.50	554.50	562.75	<b>-6.50</b>
<b>21-May</b>	570.00	570.25	556.75	563.75	<b>-6.75</b>

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