

### 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.

**According to FCI, till April 17, 2020, Punjab has procured 0.38 LMT (lakh metric tonne), Uttar Pradesh -0.06 LMT, Madhya Pradesh -0.12 LMT and Rajasthan -0.03 LMT.** This season FCI is planning to procure 40 MMT of wheat in the country.

**A 75,000-metric-ton consignment of Indian wheat heading for Afghanistan** has arrived at Iran's south eastern port of Chabahar to be delivered to the destination country through land borders. The consignment is comprised of 203 20-metric-foot containers that have been shipped from Kandla Port in eastern India.

**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.

**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:

**In the monthly supply and demand forecasts released by France Agriculture Ministry,** projection of French soft wheat exports outside the European Union in the 2019/20 season to June 30 has been increased to 13.2 MMT from 12.7 MMT estimated last month. The latest forecast is 36.5% above last season's level and if realised would surpass the record of 12.9 MMT in 2010-11.

**Jordan's state grain buyer has issued tender to buy 120,000 metric tonnes** of hard milling wheat to be sourced from different origins. The wheat will be loaded between October and November.

**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.

**On April 10, USDA reported China purchased 55,000 MT of HRW for delivery** in 2019/20 and 110,000 MT of HRW for delivery in 2020/21.

**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.

Wheat Futures Contract: NCDEX Price							Date: 17.04.2020 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
20-Apr					1855				
20-May					1855				
20-June					1855				

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

Stocks	Demat	In-Process	Total	EDD
	16.Apr.20	16.Apr.20	16.Apr.20	13.Apr.20
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	-	-	-	-
Baran	-	-	-	-

### Wheat Daily Prices and Arrivals on 18.04.2020

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			18-Apr-20	17-Apr-20	
Delhi	Lawrence Road	Mill Delivery	1950	1950	Unch
	Narella	Mill Quality Loose	1870	1870	Unch
	Nazafgarh	Mill Quality Loose	1850	1850	Unch
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	1680	1700	-20
		Mill Delivery	1825	1850	-25
U.P.	Kanpur	Mill Delivery	2000	2000	Unch
	Mathura	Mill Quality Loose	1750	1800	-50
	Kosi	Mill Quality Loose	1850	1850	Unch
	Hathras	Mill Quality Loose	1750	1790	-40

	Aligarh	Mill Quality Loose	1770	1760	10
Punjab	Khanna	Mill Quality Loose	Closed	Closed	-
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1925	1925	Unch
	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	2150	2150	Unch
	Madurai	Mill Quality	2207	2207	Unch
	Coimbatore	Mill Quality	2207	2207	Unch
Bihar	Khagariya	Mill Delivery	1900	1900	Unch
	Muzaffarpur	Mill Delivery	1815	1815	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	Closed	Closed	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	Closed	Closed	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			18-Apr-20	17-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	1925	1900	25
	Baran	Lokwan	NA	NA	-

### Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			18-Apr-20	17-Apr-20	
Delhi	Lawrence Road	Mill Delivery	2000	2000	Unch
	Narella	Mill Quality Loose	500	500	Unch
	Nazafgarh	Mill Quality Loose	200	200	Unch
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	30000	20000	10000
<b>U.P.</b>	Kanpur	Mill Quality Loose	1700	1800	-100
	Mathura	Mill Quality Loose	8000	25000	-17000
	Kosi	Mill Quality Loose	3000	4000	-1000
	Hathras	Mill Quality Loose	300	800	-500
	Aligarh	Mill Quality Loose	5000	5000	Unch
<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	Unch
	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: 17.04.2020

Contract Month	Open	High	Low	Close	Change
<b>20-May</b>	528.50	536.00	524.50	533.50	3.75
<b>20-Jul</b>	529.00	535.75	525.00	533.75	3.25
<b>20-Sep</b>	534.50	540.25	530.75	538.75	3.00
<b>20-Dec</b>	543.25	548.25	539.25	547.00	2.50
<b>21-Mar</b>	552.75	555.25	547.50	554.50	1.75
<b>21-May</b>	551.75	556.75	548.50	555.25	1.25

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