

Wheat Domestic Fundamentals:

According to the Govt. the wheat procurement for the central pool has crossed 13 million tonnes with Punjab leading the chart with 6.8 MT followed by Haryana (3.0 MT) and Madhya Pradesh (2.5 MT). The government targets to procure 40 million tonnes by June.

According to the state Govt. of Punjab “The Government agencies and private traders have procured 6,67,871 MT of wheat in Punjab on the fifteen day of procurement. The Govt. agencies procured 6,56,561 MT of wheat 2,310 MT has been procured by the private agencies.

According to Haryana state Govt. 31.94 LMT was procured from 3,60,817 farmers in procurement center of Haryana in the last nine days.

According to the FCI latest data this much procurement has been done so far on Tuesday 28.04.2020 Punjab 54.95 LT followed by Haryana 23.81LT, Madhya Pradesh 18.84 LT, Uttar Pradesh 3.87LT, Rajasthan 74721T, Uttarakhand 8309T, Chandigarh 338T, Delhi 13Tm, Himachal Pradesh 652T and Gujarat 60T so far.

Chandigarh wheat shrivelled at many places because of untimely rains, its procurement could be less than the target of 135 lakh metric tonnes (LMT). Which could lead to a fall in procurement by 5-10 LMT. The percentage of shrivelled grain in Patiala, Fatehgarh Sahib and Mohali vary between 15 and 30 per cent.

A glut like situation in wheat markets across Punjab has affected procurement. With no space to unload produce at the local grain market, which is packed to capacity, farmers have not been issued passes for the past two days. With late procurement, payment will get delayed, which in turn will affect the purchase of seeds and fertilisers for kharif sowing. Shortage of labour and poor transportation facility has affected procurement. As on Thursday, 7 lakh metric tonnes of wheat had arrived across the state.

The government has set a procurement target of 40.7 MMT of wheat this season. In Punjab, wheat procurement stood at 6 tonnes as on Wednesday. In Haryana and UP, procurement stood at 22.41 LMT and 2.97 LMT tonnes, respectively.

Farmers in Haryana are storing the harvested crop at home this season as the state authorities have restricted the entry of vehicles to avoid crowding at grain markets. Storing the crop at home and then taking it to the market will involve more labour cost. The farmers are worried to delay harvesting as weather might damage the standing crop.

In Gujarat, procurement of wheat will start on 27 April and is expected to be over by 30 May, 2020. Gujarat is expected to harvest a bumper crop of 40 lakh metric tonnes this season. According to the Union Ministry of Agriculture and Farmers welfare, the total area under wheat crop this season is 310 lakh hectares of which 63-67 per cent has already been harvested. Around 90-95% harvesting of wheat is completed in Madhya Pradesh, 80-85% in Rajasthan, 60-65% in Uttar Pradesh, 30-35% in Haryana and 10-15% in Punjab. Harvesting is likely to be completed in these states by end April.

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.

International Market Update:

According wheat forecast for global wheat production in the 2020/21 season, driven partly by downward revisions for Russia, Ukraine and the European Union. The inter-governmental body cut its global wheat crop forecast by 4 million tonnes to 764 million tonnes, as less than ideal conditions are harming crop prospects in Europe and the Black Sea region. Dry weather has been a concern although there have been some recent showers in Ukraine and the European Union, and rains are expected to arrive in Russia’s southern regions in early May.

Argentina is forecast to harvest a record wheat crop in 2020-21 at 20.2 million tonnes, according to a (GAIN). Argentine farmers are projected to expand wheat area to 6.53 million hectares, a 2% increase over the previous year. If realized it will be the largest planted area in 13 years

Ukraine’s wheat exports dropped 37% the week of April 18-24 following a record jump in the previous week, Government officials have said the nation is ready to ban wheat exports if the total exceeds 20.2 million tonnes, According to the data. In the current season, which runs July to June, Exports declined to 215,000 tonnes from 341,000 tonnes Ukraine has already exported 18.8 million tonnes of wheat.

Wheat Futures Contact: NCDEX Price							Date: 01.05.2020 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
20-May	0	1901	1901	1901	1901				
20-June	0	1949	1949	1949	1949				
20-July	0	1957	1957	1957	1957				

Spread	May-20	June-20	July-20
Spot Narella	-		
20-May	-		
20-June		7	
20-July			8

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

Wheat Daily Prices and Arrivals on 01.05.2020

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			01-May-20	30-Apr-20	
Delhi	Lawrence Road	Mill Delivery	1980	1980	Unch
	Narella	Mill Quality Loose	1840	1840	Unch
	Nazafgarh	Mill Quality Loose	NA	NA	-
Gujarat	Rajkot	Mill Delivery	1815	1815	Unch
	Ahmedabad	Mill Delivery	1920	1920	Unch
	Surat	Mill Delivery	2000	2000	Unch
	Dhrol	Mill Quality Loose	NR	1750	-
M.P.	Indore	Mill Delivery	Closed	Closed	-
	Bhopal	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality Loose	1770	1750	20
		Mill Delivery	1825	1850	-25
U.P.	Kanpur	Mill Delivery	2000	2000	Unch
	Mathura	Mill Quality Loose	1800	1840	-40
	Kosi	Mill Quality Loose	1810	1850	-40
	Hathras	Mill Quality Loose	1850	1850	Unch
	Aligarh	Mill Quality Loose	1800	1810	-10
Punjab	Khanna	Mill Quality Loose	1925	1925	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1925	1925	Unch

	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	NA	NA	-
	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	1825	1800	25
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			01-May-20	30-Apr-20	
Gujarat	Rajkot	Lokwan	1850	1850	Unch
M.P.	Indore	Lokwan	Closed	Closed	-
	Bhopal	Lokwan	Closed	Closed	-
	Bina	Sarbati 306	Closed	Closed	-
Rajasthan	Kota	Lokwan Bilty	1900	1900	Unch
	Baran	Lokwan	NA	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			01-May-20	30-Apr-20	
Delhi	Lawrence Road	Mill Delivery	8000	7000	1000
	Narella	Mill Quality Loose	2500	3000	-500
	Nazafgarh	Mill Quality Loose	NA	NA	-
Gujarat	Rajkot	Mill Quality Loose	5000	6000	-1000
	Dhrol	Mill Quality Loose	NR	480	-
M.P.	Indore	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality	60000	5000	55000
U.P.	Kanpur	Mill Quality Loose	3500	3500	Unch
	Mathura	Mill Quality Loose	12000	5000	7000
	Kosi	Mill Quality Loose	2000	1000	1000
	Hathras	Mill Quality Loose	600	1000	-400
	Aligarh	Mill Quality Loose	4000	6000	-2000
Punjab	Khanna	Mill Quality Loose	25000	40000	-15000
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	8000	7000	1000
	Hodal	Mill Quality Loose	40000	50000	-10000

	Bhiwani	Mill Quality Loose	NA	NA	-
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat (CBOT) Future Price: 24.04.2020					
Contract Month	Open	High	Low	Close	Change
20-May	517.00	529.75	511.00	529.75	+10.25↑
20-Jul	516.50	525.25	506.75	524.25	+7.75↑
20-Sep	521.25	528.75	512.25	528.00	+7.00↑
20-Dec	529.75	537.00	522.00	536.25	+5.75↑
21-Mar	537.75	543.75	530.25	543.00	+4.25↑
21-May	536.50	543.50	532.00	542.75	+3.25↑

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2020 Indian Agribusiness Systems Ltd.