

Wheat Domestic Fundamentals:

As per the Food Corporation of India report dated 03.08.2020, FCI currently has 516.54 LMT wheat. Hence, a total of 759.41 LMT food grain stock is available. About 95 LMT food grains is required for a month under NFSA, PMGKAY and other welfare schemes.

Since the lockdown, about 139.97 LMT food grains have been lifted and transported through 4999 rail rakes. Total 285.07 LMT food grains have been transported and 13.89 LMT food grains has been transported to the North-Eastern States till 30th June 2020. Since 1st July 2020, 47.71 LMT food grains have been lifted and transported through 1704 rail rakes. Apart from the rail route, transportation was also done through roads and waterways. A total of 91.02 LMT food grains has been transported since 1st July 2020. Total 3.92 LMT food grains have been transported to the North-Eastern States since 1st July 2020.

A total of 201.08 LMT food grains have been allocated for PMGKAY-2 to States and UTs for the 5 months period from July to November 2020. This includes 91.14 LMT wheat and 109.94 LMT rice. A total of 44.08 LMT food grains have been lifted and 23.80 LMT food grains have been distributed by States/UTs. In the month of July 2020, total 23.69 LMT (59%) food grains have been distributed among 47.38 crore beneficiaries (distribution for month of July is still on) by States/UTs. The Government of India is bearing 100% financial burden of approximately Rs. 76,062 crores of PMGKAY-2 scheme. Wheat has been allocated to 4 States and UTs, rice has been allocated to 15 States/UTs and both rice and wheat have been allocated to the remaining 17 States/UTs.

For the kharif season of 2019-20, FCI has reduced the reserve selling price of URS (Under relaxed specifications) wheat from 2080 to 1840. This has led to Increasing their cost of wheat also, the flour mills have reduced the purchase. Even if they are buying, they're doing so, on a reduced price. On the other hand, the stockist have started selling wheat as the government has a huge amount of wheat stock.

In the domestic market flour and refined flour have weak purchase by 25%. Corona virus has severely impacted the market. In the current week the price of wheat at Delhi reduced by Rs.40 resulting in the actual price being Rs.1865/1870 per quintal. The daily arrival of 4000 to 5000 wheat sacks,. As for now, increase in wheat will be less but it may increase during the festival of Diwali.

The Karnataka government has asked the Center for surplus wheat and said that because of the labour coming from different states, the amount of wheat may be less.

The government has achieved a record procurement of wheat and rice in the 2019-20 season. It has procured 38.98 million tonnes of wheat, which is the highest so far although a little short of the target and it may end up buying 40.5 to 41 MMT this year. FCI currently has 558.25 MMT wheat in central pool stock in June.

PMGKAY will be given a discount of up to 30th November and the market price of wheat is stuck in the quagmire due to the discussion of old wheat by FCI. Flour and refined flour demand also declined. At present, the rise in wheat is expected to increase, due to the release of market demand around Diwali. The Karnataka government demanded additional grain from the center and said that there may be a shortage of grains due to the Karnataka workers from different states.

International Market Update:

Russian wheat export prices fell last week for the second week in a row as pressure on the market increased from the arrival of the new crop, analysts said on Monday. Russian wheat with 12.5% protein loading from Black Sea ports was at \$205 a tonne free on board (FOB) for supply in August at the end of last week, down \$2 from the week before, agriculture consultancy IKAR said in a note

Bulgaria harvested 4.53 million tonnes of wheat out of 97.6% of sown area, 20% less when compared with the same period a year ago due to extensive drought, operational data on grain crops from the agriculture ministry showed on Friday.

According to economy minister Beirut, Lebanon's main grain silo at Beirut port was destroyed in a blast, leaving the nation with less than a month's reserves of the grain but enough flour to avoid a crisis.

USDA reported that the new crop U.S. HRW harvest was 74% complete, moving well ahead of last year's pace. Over the next week, weather is expected to be favourable for crop development and harvest. South Dakota reported exceptionally good yields and high protein.

Wheat Futures Contract: NCDEX Price							Date: 11.08.2020 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
20-Aug	0	-	-	-	1845				
20-Sep	0	-	-	-	1851				
20-Oct	0	-	-	-	1858				

Spread	Jul-20	Aug-20	Sep-20
Spot Narella	-	-	-
20-Aug	-	0	-
20-Sep	-	-	7
20-Oct	-	-	-

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

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			11-Aug-20	10-Aug-20	
Delhi	Lawrence Road	Mill Delivery	1890	1895	-5
	Narella	Mill Quality Loose	1750	1750	Unch
	Nazafgarh	Mill Quality Loose	1720	1720	Unch
Gujarat	Rajkot	Mill Delivery	Closed	Closed	-
	Ahmedabad	Mill Delivery	Closed	Closed	-
	Surat	Mill Delivery	Closed	Closed	-
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Delivery	1830	1850	-20
	Bhopal	Mill Quality Loose	1700	1700	Unch
Rajasthan	Kota	Mill Quality Loose	1680	1650	30
		Mill Delivery	1825	1800	25
U.P.	Kanpur	Mill Delivery	1770	1765	5
	Mathura	Mill Quality Loose	1685	1690	-5
	Kosi	Mill Quality Loose	1800	1800	Unch
	Hathras	Mill Quality Loose	1680	1700	-20
	Aligarh	Mill Quality Loose	1700	1700	Unch
Punjab	Khanna	Mill Quality Loose	1720	1720	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1760	1760	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1700	1700	Unch

	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2050	2050	Unch
	Madurai	Mill Quality	2107	2107	Unch
	Coimbatore	Mill Quality	2107	2107	Unch
Bihar	Khagariya	Mill Delivery	2100	2100	Unch
	Muzaffarpur	Mill Delivery	1775	1775	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	Closed	Closed	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	Closed	Closed	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			11-Aug-20	10-Aug-20	
Gujarat	Rajkot	Lokwan	Closed	Closed	-
M.P.	Indore	Lokwan	2100	2100	Unch
	Bhopal	Lokwan	1925	1925	Unch
	Bina	Sarbati 306	2300	2300	Unch
Rajasthan	Kota	Lokwan Bilty	2100	2100	Unch
	Baran	Lokwan	NA	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			11-Aug-20	10-Aug-20	
Delhi	Lawrence Road	Mill Delivery	5500	5000	500
	Narella	Mill Quality Loose	500	600	-100
	Nazafgarh	Mill Quality Loose	100	50	50
Gujarat	Rajkot	Mill Quality Loose	Closed	Closed	-
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Quality Loose	6000	5000	1000
Rajasthan	Kota	Mill Quality	4000	4000	Unch
U.P.	Kanpur	Mill Quality Loose	500	700	-200
	Mathura	Mill Quality Loose	250	200	50
	Kosi	Mill Quality Loose	500	500	Unch
	Hathras	Mill Quality Loose	250	200	50
	Aligarh	Mill Quality Loose	300	300	Unch
Punjab	Khanna	Mill Quality Loose	200	500	-300
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	300	-100
	Hodal	Mill Quality Loose	50	50	Unch
	Bhiwani	Mill Quality Loose	400	400	Unch
	Karnal	Mill Delivery	NA	NA	-

	Panipat	Mill Quality Loose	NA	NA	-
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Wheat Products Delhi	11-Aug-20	10-Aug-20	Change
Atta (50kg) Ordinary	NR	NR	-
Maida Grade 1 (50KG)	NR	NR	-
Suji (50kg)	NR	NR	-
Chokar (50 kg)	NR	NR	-
Chokar (34 kg)	NR	NR	-
Chakki Atta (50kg)	NR	NR	-
Chakki Atta (50kg) Special	NR	NR	-
Chakki Atta (90kg) Superfine	NR	NR	-
Chakki Atta (50kg) Superfine	NR	NR	-

Wheat (CBOT) Future Price: 10 .08.2020					
Contract Month	Open	High	Low	Close	Change
Sep-20	495.25	497.25	490.00	491.00	-4.50↓
Dec-20	502.50	505.00	498.50	499.75	-3.75↓
Mar-21	511.00	512.75	506.25	507.25	-4.50↓
May-21	516.25	518.25	512.00	512.75	-4.50↓
Jul-21	520.25	522.00	516.25	517.00	-4.50↓
Sep-21	527.50	527.75	523.25	524.00	-4.50↓

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