

Wheat Domestic Fundamentals:

Average mill delivery prices of Wheat remained low, during 17th Aug – 24th Aug 2020 as compared to last week. All markets showed bearish movement in prices and are likely to trade steady to slightly firm in upcoming weeks. Free distribution of wheat till Nov would keep the market moving range bound.

According to M.P Govt. statement, Wheat at Rs. 1 per kg for such poor people across the state who were not covered under the national food security scheme till now, as per an official statement. At present there are more than 1.15 crore below poverty line (BPL) and Antyodaya cards holders in the state covered under National Food Security Act (NFSA), as per the state government's data.

Prices of wheat fell today across key spot markets due to weak demand and a rise in arrivals. Prices of Maize rose in Purnea today due to a decline in demand, but rates remained steady in Nizamabad. Prices of mill-quality WHEAT in Indore fell as demand softened. Arrivals were pegged at 3,000 bags (1 bag = 100 kg), up from 2,000 bags on Wednesday. Prices of wheat in the key spot market of Jaipur, too, fell due to a fall in demand and increased arrivals. Arrivals were pegged at 4,000 bags today as against 3,000 bags on Wednesday.

The government may continue to levy freight charges on sale of wheat under its open market sale scheme, since it is hopeful of pushing out excess stocks after the recent reduction in the base price of wheat.

Indian FoB quote is based on local prices. There is no export in bulk currently. Indian FoB quote is being quoted at \$236.13 per tonne. US and Russian quotes are hovering in the range of \$224.61 - \$235.86 and \$226.56-\$231.80 per tonne respectively. Wheat prices in international markets noticed range -bound to weak tone in last week.

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.

The spring wheat crop was 90% headed as of July 20. Crop conditions held steady as farmers hope for hot dry weather over the next few weeks to aid in protein development. Harvest for early planted fields is expected to begin in the next 10 to 14 days.

The International Grains Council (IGC) cut 5.6Mt from its 2020/21 global wheat production forecast. At 762.0MMT the global wheat crop would still be 12.1MMT above a trimmed demand prediction and a notably smaller surplus than the 16.2MMT forecast last month. EU-27 down 2.8MMT to 125.6MMT, USA down 1.5MMT to 49.6MMT, Russia down 1.0MMT to 78.0MMT and Argentina down 0.6MMT to 20.4MMT.

FAO's updated projections indicate that global wheat production will reach 758.3 million tonnes in 2020, showing a slight decrease of 0.5 percent over the previous year's highs and still at a fairly high level. Despite general concerns about the COVID-19 situation, it is not expected to have any significant impact on wheat production this year. Potential yield declines due to unfavorable weather conditions in the EU, Ukraine and the United States will be offset by strong performances in Australia, Canada, Russia, and some Asian countries.

According to Agriculture and Agri-Food Canada orecaast Canadian wheat production in 2020 at 33,600,000 tonnes, down 300,000 tonnes from the June projection but up 1,252,000 tonnes, or 4%, from 32,348,000 tonnes in 2019. The

Wheat Futures Contract: NCDEX Price							Date: 25.08.2020 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
20-Aug	0	-	-	-	1802				
20-Sep	0	-	-	-	1809				
20-Oct	0	-	-	-	1815				

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	-	-	-	-

Wheat Daily Prices and Arrivals

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			25-Aug-20	24-Aug-20	
Delhi	Lawrence Road	Mill Delivery	1810	1780	30
	Narella	Mill Quality Loose	1680	1700	-20
	Nazafgarh	Mill Quality Loose	1685	1660	25
Gujarat	Rajkot	Mill Delivery	1700	1700	Unch
	Ahmedabad	Mill Delivery	1750	1750	Unch
	Surat	Mill Delivery	1780	1780	Unch
	Dhrol	Mill Quality Loose	1585	NR	-
M.P.	Indore	Mill Delivery	1700	1700	Unch
	Bhopal	Mill Quality Loose	1630	1650	-20
Rajasthan	Kota	Mill Quality Loose	1600	1700	-100
		Mill Delivery	1700	1800	-100
U.P.	Kanpur	Mill Delivery	1700	1690	10
	Mathura	Mill Quality Loose	1650	1640	10
	Kosi	Mill Quality Loose	1650	1650	Unch
	Hathras	Mill Quality Loose	1650	1650	Unch
	Aligarh	Mill Quality Loose	1600	1620	-20
Punjab	Khanna	Mill Quality Loose	1720	1750	-30
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1730	1750	-20
	Hodal	Mill Delivery	NA	NA	-

	Bhiwani	Mill Quality Loose	1650	1720	-70
	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	2000	2000	Unch
	Muzaffarpur	Mill Delivery	1750	1750	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			25-Aug-20	24-Aug-20	
Gujarat	Rajkot	Lokwan	1800	1800	Unch
M.P.	Indore	Lokwan	1900	1900	Unch
	Bhopal	Lokwan	1800	1800	Unch
	Bina	Sarbati 306	2200	2200	Unch
Rajasthan	Kota	Lokwan Bilty	1900	2000	-100
	Baran	Lokwan	Closed	Closed	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			25-Aug-20	24-Aug-20	
Delhi	Lawrence Road	Mill Delivery	4000	3500	500
	Narella	Mill Quality Loose	400	600	-200
	Nazafgarh	Mill Quality Loose	250	200	50
Gujarat	Rajkot	Mill Quality Loose	600	700	-100
	Dhrol	Mill Quality Loose	74	NR	-
M.P.	Indore	Mill Quality Loose	2500	3000	-500
Rajasthan	Kota	Mill Quality	3000	4000	-1000
U.P.	Kanpur	Mill Quality Loose	700	800	-100
	Mathura	Mill Quality Loose	200	400	-200
	Kosi	Mill Quality Loose	300	500	-200
	Hathras	Mill Quality Loose	200	300	-100
	Aligarh	Mill Quality Loose	300	500	-200
Punjab	Khanna	Mill Quality Loose	500	400	100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	500	300	200
	Hodal	Mill Quality Loose	50	100	-50
	Bhiwani	Mill Quality Loose	150	300	-150

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

Wheat Products Delhi	25-Aug-20	24-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: 24.08.2020					
Contract Month	Open	High	Low	Close	Change
Sep-20	527.75	533.25	516.50	520.75	-6.50↓
Dec-20	535.75	540.75	524.00	527.75	-7.25↓
Mar-21	542.00	546.75	532.00	535.25	-6.25↓
May-21	546.75	551.00	537.00	540.00	-6.00↓
Jul-21	547.25	551.00	538.75	541.75	-5.00↓
Sep-21	550.25	556.25	545.75	547.50	-4.50↓

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