

Wheat Domestic Fundamentals:

Prices of wheat fell today across spot markets due to weak demand. rices of mill-quality Wheat fell in Indore as demand from bulk buyers softened. Arrivals were pegged steady at 3,000 bags (1 bag = 100 kg). Prices of wheat in Jaipur fell due to subdued demand, despite a fall in arrivals. Arrivals were pegged at 4,000 bags today, compared with 6,000 bags on Monday.

According to a parliamentary standing committee report presented on Wednesday to Rajya Sabha, India exports only one per cent of its agri products, India exports only 0.2 per cent of its wheat. Committee called for upgrading agri infrastructure, improving efficiency levels in the supply chain and putting emphasis on value addition.

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.

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.

Wheat Futures Contract: NCDEX Price							Date: 26.08.2020 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
20-Aug	0	-	-	-	1792				
20-Sep	0	-	-	-	1798				
20-Oct	0	-	-	-	1804				

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
			26-Aug-20	25-Aug-20	
Delhi	Lawrence Road	Mill Delivery	1830	1810	20
	Narella	Mill Quality Loose	Closed	1680	-
	Nazafgarh	Mill Quality Loose	Closed	1685	-
Gujarat	Rajkot	Mill Delivery	1670	1700	-30
	Ahmedabad	Mill Delivery	1715	1750	-35
	Surat	Mill Delivery	1760	1780	-20
	Dhrol	Mill Quality Loose	1585	1585	Unch
M.P.	Indore	Mill Delivery	1700	1700	Unch
	Bhopal	Mill Quality Loose	1600	1630	-30
Rajasthan	Kota	Mill Quality Loose	1575	1600	-25
		Mill Delivery	1680	1700	-20
U.P.	Kanpur	Mill Delivery	1700	1700	Unch
	Mathura	Mill Quality Loose	1600	1650	-50
	Kosi	Mill Quality Loose	1600	1650	-50
	Hathras	Mill Quality Loose	1570	1650	-80
	Aligarh	Mill Quality Loose	Closed	1600	-
Punjab	Khanna	Mill Quality Loose	1750	1720	30
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1730	1730	Unch
	Hodal	Mill Delivery	NA	NA	-

	Bhiwani	Mill Quality Loose	1640	1650	-10
	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	1950	2000	-50
	Muzaffarpur	Mill Delivery	1700	1750	-50
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			26-Aug-20	25-Aug-20	
Gujarat	Rajkot	Lokwan	1800	1800	Unch
M.P.	Indore	Lokwan	1850	1900	-50
	Bhopal	Lokwan	1750	1800	-50
	Bina	Sarbati 306	Closed	2200	-
Rajasthan	Kota	Lokwan Bilty	1900	1900	Unch
	Baran	Lokwan	Closed	Closed	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			26-Aug-20	25-Aug-20	
Delhi	Lawrence Road	Mill Delivery	4000	4000	Unch
	Narella	Mill Quality Loose	Closed	400	-
	Nazafgarh	Mill Quality Loose	Closed	250	-
Gujarat	Rajkot	Mill Quality Loose	2200	600	1600
	Dhrol	Mill Quality Loose	255	74	181
M.P.	Indore	Mill Quality Loose	3500	2500	1000
Rajasthan	Kota	Mill Quality	6000	3000	3000
U.P.	Kanpur	Mill Quality Loose	1000	700	300
	Mathura	Mill Quality Loose	100	200	-100
	Kosi	Mill Quality Loose	400	300	100
	Hathras	Mill Quality Loose	100	200	-100
	Aligarh	Mill Quality Loose	Closed	300	-
Punjab	Khanna	Mill Quality Loose	400	500	-100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	500	500	Unch
	Hodal	Mill Quality Loose	50	50	Unch
	Bhiwani	Mill Quality Loose	200	150	50

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

Wheat Products Delhi	26-Aug-20	25-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: 25.08.2020

Contract Month	Open	High	Low	Close	Change
Sep-20	521.25	533.75	520.75	527.25	+6.50↑
Dec-20	530.00	542.00	528.00	535.50	+7.75↑
Mar-21	537.25	549.50	535.00	543.00	+7.75↑
May-21	542.75	553.75	540.00	547.25	+7.25↑
Jul-21	544.25	554.00	541.50	548.00	+6.25↑
Sep-21	551.00	559.00	550.25	553.50	+6.00↑

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