

**Wheat Domestic Fundamentals:**

**Wheat prices in Jaipur fell today due to weak demand from bulk buyers.** However, a fall in the prices was limited as supply of the food grain also declined. Arrivals were pegged at 2,000 bags (1 bag = 100 kg), down from 3,000 bags on Wednesday. In Indore, another key market, prices rose due to a decline in arrivals. Arrivals were pegged at 2,000 bags, from 2,500 bags on Wednesday.

**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 17<sup>th</sup> Aug – 24<sup>th</sup> 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 769.0MMT 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: 29.08.2020 at 5:00 PM |    |                       |
|-------------------------------------|-----|------|------|-----|-------|--------|-----------------------------|----|-----------------------|
| Contract Month                      | +/- | Open | High | Low | Close | Volume | Ch. From previous day       | OI | Ch. From previous day |
| 20-Aug                              | 0   | -    | -    | -   | 1776  |        |                             |    |                       |
| 20-Sep                              | 0   | -    | -    | -   | 1782  |        |                             |    |                       |
| 20-Oct                              | 0   | -    | -    | -   | 1788  |        |                             |    |                       |

| 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 |
|-----------|--------------------|---------------------|-----------------|-----------|--------|
|           |                    |                     | 28-Aug-20       | 27-Aug-20 |        |
| Delhi     | Lawrence Road      | Mill Delivery       | 1825            | 1825      | Unch   |
|           | Narella            | Mill Quality Loose  | 1650            | 1660      | -10    |
|           | Nazafgarh          | Mill Quality Loose  | 1670            | 1670      | Unch   |
| Gujarat   | Rajkot             | Mill Delivery       | 1660            | 1665      | -5     |
|           | Ahmedabad          | Mill Delivery       | 1710            | 1715      | -5     |
|           | Surat              | Mill Delivery       | 1750            | 1760      | -10    |
|           | Dhrol              | Mill Quality Loose  | NR              | NR        | -      |
| M.P.      | Indore             | Mill Delivery       | 1700            | 1700      | Unch   |
|           | Bhopal             | Mill Quality Loose  | 1600            | 1600      | Unch   |
| Rajasthan | Kota               | Mill Quality Loose  | 1650            | 1600      | 50     |
|           |                    | Mill Delivery       | 1730            | 1680      | 50     |
| U.P.      | Kanpur             | Mill Delivery       | 1750            | 1700      | 50     |
|           | Mathura            | Mill Quality Loose  | 1620            | 1600      | 20     |
|           | Kosi               | Mill Quality Loose  | 1650            | 1700      | -50    |
|           | Hathras            | Mill Quality Loose  | 1570            | 1570      | Unch   |
|           | Aligarh            | Mill Quality Loose  | 1620            | 1620      | Unch   |
| Punjab    | Khanna             | Mill Quality Loose  | 1740            | 1740      | Unch   |
|           | Ludhiana (Jagraon) | Mill Delivery       | NA              | NA        | -      |
| Haryana   | Sirsa              | Mill Delivery loose | 1725            | 1725      | Unch   |
|           | Hodal              | Mill Delivery       | NA              | NA        | -      |

|                   |                               |                    |      |      |             |
|-------------------|-------------------------------|--------------------|------|------|-------------|
|                   | Bhiwani                       | Mill Quality Loose | 1625 | 1650 | <b>-25</b>  |
|                   | Karnal                        | Mill Delivery      | NA   | NA   | -           |
|                   | Panipat                       | Mill Quality Loose | NA   | NA   | -           |
| <b>Tamil Nadu</b> | Chennai                       | Mill Quality       | 2050 | 2050 | <b>Unch</b> |
|                   | Madurai                       | Mill Quality       | 2107 | 2107 | <b>Unch</b> |
|                   | Coimbatore                    | Mill Quality       | 2107 | 2107 | <b>Unch</b> |
| <b>Bihar</b>      | Khagariya                     | Mill Delivery      | 1900 | 1950 | <b>-50</b>  |
|                   | Muzaffarpur                   | Mill Delivery      | 1650 | 1700 | <b>-50</b>  |
| <b>FOR</b>        | Kandla (Rajasthan-Rajkot)     | Mill Quality       | NA   | NA   | -           |
|                   | Gandhidham (Rajasthan-Rajkot) | Mill Quality       | NA   | NA   | -           |

| Centre           | Market | Variety      | Prices (Rs/Qtl) |           | Change      |
|------------------|--------|--------------|-----------------|-----------|-------------|
|                  |        |              | 28-Aug-20       | 27-Aug-20 |             |
| <b>Gujarat</b>   | Rajkot | Lokwan       | 1800            | 1800      | <b>Unch</b> |
| <b>M.P.</b>      | Indore | Lokwan       | 1850            | 1850      | <b>Unch</b> |
|                  | Bhopal | Lokwan       | 1750            | 1750      | <b>Unch</b> |
|                  | Bina   | Sarbati 306  | 2250            | 2250      | <b>Unch</b> |
| <b>Rajasthan</b> | Kota   | Lokwan Bilty | 1900            | 1900      | <b>Unch</b> |
|                  | Baran  | Lokwan       | Closed          | Closed    | -           |

**Wheat Arrivals in Key Centers:**

| Centre           | Market            | Variety            | Arrivals (Bags/Qtl) |           | Change       |
|------------------|-------------------|--------------------|---------------------|-----------|--------------|
|                  |                   |                    | 28-Aug-20           | 27-Aug-20 |              |
| <b>Delhi</b>     | Lawrence Road     | Mill Delivery      | 6000                | 7500      | <b>-1500</b> |
|                  | Narella           | Mill Quality Loose | 600                 | 500       | <b>100</b>   |
|                  | Nazafgarh         | Mill Quality Loose | 200                 | 250       | <b>-50</b>   |
| <b>Gujarat</b>   | Rajkot            | Mill Quality Loose | 2100                | 1900      | <b>200</b>   |
|                  | Dhrol             | Mill Quality Loose | NR                  | NR        | -            |
| <b>M.P.</b>      | Indore            | Mill Quality Loose | 3000                | 4000      | <b>-1000</b> |
| <b>Rajasthan</b> | Kota              | Mill Quality       | 4000                | 4000      | <b>Unch</b>  |
| <b>U.P.</b>      | Kanpur            | Mill Quality Loose | 600                 | 800       | <b>-200</b>  |
|                  | Mathura           | Mill Quality Loose | 350                 | 300       | <b>50</b>    |
|                  | Kosi              | Mill Quality Loose | 500                 | 250       | <b>250</b>   |
|                  | Hathras           | Mill Quality Loose | 100                 | 150       | <b>-50</b>   |
|                  | Aligarh           | Mill Quality Loose | 100                 | 200       | <b>-100</b>  |
| <b>Punjab</b>    | Khanna            | Mill Quality Loose | 300                 | 500       | <b>-200</b>  |
|                  | (Ludhiana)Jagraon | Mill Quality Loose | NA                  | NA        | -            |
| <b>Haryana</b>   | Sirsa             | Mill Quality Loose | 300                 | 300       | <b>Unch</b>  |
|                  | Hodal             | Mill Quality Loose | 70                  | 50        | <b>20</b>    |
|                  | Bhiwani           | Mill Quality Loose | 300                 | 300       | <b>Unch</b>  |

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

| Wheat Products Delhi         | 28-Aug-20 | 27-Aug-20 | Change |
|------------------------------|-----------|-----------|--------|
| Atta (50kg) Ordinary         | NA        | NA        | -      |
| Maida Grade 1 (50KG)         | NA        | NA        | -      |
| Suji (50kg)                  | NA        | NA        | -      |
| Chokar (50 kg)               | NA        | NA        | -      |
| Chokar (34 kg)               | NA        | NA        | -      |
| Chakki Atta (50kg)           | NA        | NA        | -      |
| Chakki Atta (50kg) Special   | NA        | NA        | -      |
| Chakki Atta (90kg) Superfine | NA        | NA        | -      |
| Chakki Atta (50kg) Superfine | NA        | NA        | -      |

**Wheat (CBOT) Future Price: 28.08.2020**

| Contract Month | Open   | High   | Low    | Close  | Change |
|----------------|--------|--------|--------|--------|--------|
| <b>Sep-20</b>  | 543.00 | 547.25 | 536.75 | 539.25 | -3.25↓ |
| <b>Dec-20</b>  | 551.25 | 555.50 | 547.50 | 548.75 | -2.00↓ |
| <b>Mar-21</b>  | 558.25 | 562.50 | 555.50 | 556.50 | -1.25↓ |
| <b>May-21</b>  | 562.50 | 565.50 | 559.50 | 561.00 | -0.50↓ |
| <b>Jul-21</b>  | 561.50 | 564.75 | 559.25 | 561.25 | -0.25↓ |
| <b>Sep-21</b>  | 567.00 | 570.00 | 564.75 | 566.75 | +0.25↑ |

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