

**Wheat Domestic Fundamentals:**

**Wheat prices in Indore and Jaipur were steady today due to a low supply and weak demand.** In Indore, arrivals were pegged at 1,000 bags (1 bag = 100 kg), down from 2,000 bags on Tuesday. In Jaipur, another key market, arrivals were pegged at 1,000 bags, down from 1,500 bags.

**All India weekly average prices decreased by 10.62 percent YoY to Rs. 1857.69 per quintal during the week ended 31<sup>st</sup> Aug 2020.** Wheat average prices were ruling at Rs 2078.61 per quintal during 24<sup>th</sup> June-31<sup>st</sup> Aug 2019. As compared to prices in the last week 16<sup>th</sup>-23<sup>rd</sup> Aug 2020, the prices are firm by 2.40 percent. Prices may go down despite festive season as supply is expected to increase from the central pool at discounted prices. However, free distribution of wheat till Nov would prevent the market from rising significantly.

**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.

**Government has sold 171620 tonnes of wheat in OMSS through E-Auctions in the Fourth week of August'20.** No rakes were sold. State government and bulk consumers bought 105280 tonnes and 66340 tonnes of wheat respectively.

**Wheat purchase was reduced by wheat flour mills in Madhya Pradesh due to which business remained sluggish.** During the current week, the prices of wheat in Madhya Pradesh declined by Rs 25/50. With this downward trend, Indore remained at 1600/2300 rupees, Dewas 1500/2150 rupees, Ujjain 1550/2100 rupees per quintal at the weekend. Currently demand is expected to increase.

**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 hovering around \$236.03 per tonne while Russia, Ukraine, France, US and Australia are offering** wheat at \$199.29, \$200.50, Euro 185.88, \$229.90 and \$229.28 per tonne respectively. There is little hope for recovery on the export front this year. However, India is expected to import around up to 4 thousand tonnes in MY 2019-20.

**Average mill delivery prices of Wheat remained low, during 25<sup>th</sup> Aug – 31<sup>st</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.

**International Market Update:**

**According to Ukrainian grain traders union UGA said the country's 2020 wheat crop** output at 26.6 million tonnes. Ukraine is likely to export 17.5 million tonnes of wheat, in the 2020/21 season.

**According to USDA's August Crop Production report, total 2020 Montana HRW production** may go down 21% to 2.05 MMT on significantly reduced planted area. However, HRW conditions remained strong and the state could see a record average yield per acre, weather permitting.

**Russian farmers have harvested 67.4 MMT of wheat as of Aug, 18% ahead** of this time last year. According to the country's Ministry of Agriculture, the total average yield is up slightly this year at 53.3 bu/acre (3.58 MT/ha).

**Russian wheat export prices steadied last week after a three-week long fall that had been triggered** by pressure from the promising new crop, Russian wheat with 12.5% protein loading from Black Sea ports was at \$202 a tonne free on board (FOB) at the end of last week, up \$1 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: 04.09.2020 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
20-Aug	0	-	-	-	1778				
20-Sep	0	-	-	-	1784				
20-Oct	0	-	-	-	1790				

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
			4-Sep-20	3-Sep-20	
Delhi	Lawrence Road	Mill Delivery	1830	1825	5
	Narella	Mill Quality Loose	1660	1665	-5
	Nazafgarh	Mill Quality Loose	1660	1665	-5
Gujarat	Rajkot	Mill Delivery	1625	1620	5
	Ahmedabad	Mill Delivery	1710	1710	Unch
	Surat	Mill Delivery	1750	1750	Unch
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Delivery	Closed	Closed	-
	Bhopal	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality Loose	1575	1560	15
		Mill Delivery	1700	1680	20
U.P.	Kanpur	Mill Delivery	1690	1690	Unch
	Mathura	Mill Quality Loose	1620	1610	10
	Kosi	Mill Quality Loose	1700	1715	-15
	Hathras	Mill Quality Loose	1600	1620	-20
	Aligarh	Mill Quality Loose	1620	1630	-10
Punjab	Khanna	Mill Quality Loose	1720	1725	-5
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1730	1730	Unch
	Hodal	Mill Delivery	NA	NA	-

	Bhiwani	Mill Quality Loose	1600	1610	-10
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
<b>Tamil Nadu</b>	Chennai	Mill Quality	2000	2000	Unch
	Madurai	Mill Quality	2057	2057	Unch
	Coimbatore	Mill Quality	2057	2057	Unch
<b>Bihar</b>	Khagariya	Mill Delivery	1850	1850	Unch
	Muzaffarpur	Mill Delivery	1600	1600	Unch
<b>FOR</b>	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			4-Sep-20	3-Sep-20	
<b>Gujarat</b>	Rajkot	Lokwan	1750	1750	Unch
<b>M.P.</b>	Indore	Lokwan	Closed	Closed	-
	Bhopal	Lokwan	Closed	Closed	-
	Bina	Sarbati 306	Closed	Closed	-
<b>Rajasthan</b>	Kota	Lokwan Bilty	1800	1800	Unch
	Baran	Lokwan	NA	NA	-

**Wheat Arrivals in Key Centers:**

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			4-Sep-20	3-Sep-20	
<b>Delhi</b>	Lawrence Road	Mill Delivery	7000	7000	Unch
	Narella	Mill Quality Loose	500	350	150
	Nazafgarh	Mill Quality Loose	300	300	Unch
<b>Gujarat</b>	Rajkot	Mill Quality Loose	1800	1500	300
	Dhrol	Mill Quality Loose	NR	NR	-
<b>M.P.</b>	Indore	Mill Quality Loose	Closed	Closed	-
<b>Rajasthan</b>	Kota	Mill Quality	5000	5000	Unch
<b>U.P.</b>	Kanpur	Mill Quality Loose	600	700	-100
	Mathura	Mill Quality Loose	500	600	-100
	Kosi	Mill Quality Loose	250	200	50
	Hathras	Mill Quality Loose	200	100	100
	Aligarh	Mill Quality Loose	400	300	100
<b>Punjab</b>	Khanna	Mill Quality Loose	500	300	200
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Quality Loose	300	200	100
	Hodal	Mill Quality Loose	30	50	-20
	Bhiwani	Mill Quality Loose	300	200	100

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

Wheat Products Delhi	4-Sep-20	3-Sep-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: 04.09.2020					
Contract Month	Open	High	Low	Close	Change
<b>Sep-20</b>	550.25	550.25	542.50	543.25	-4.50↓
<b>Dec-20</b>	557.75	561.00	550.50	553.25	-5.00↓
<b>Mar-21</b>	566.75	569.25	559.00	561.75	-5.00↓
<b>May-21</b>	571.00	573.25	563.25	566.00	-5.25↓
<b>Jul-21</b>	568.50	571.00	561.50	563.50	-6.00↓
<b>Sep-21</b>	574.00	575.75	566.25	568.00	-6.50↓

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