

Wheat Domestic Fundamentals:

All India's weekly average prices decreased by 1.58 percent YoY to Rs. 1857.70 per quintal during the week ended 15th Sep 2020. Wheat average prices were ruling at Rs 2118.24 per quintal during 9th Sep-15th Sep 2019. As compared to prices in the last week, 1st-8th Sep 2020, the prices are low by 1.58 percent. The wheat market has stabilized, but prices are unlikely to rise till Diwali. But the price of wheat seems to have hit the bottom, and unlikely to drop further.

So far as the government continues to distribute free food grains, the demand for wheat will stay weak, and there is no scope for prices to rise either. The Price of Mill Quality wheat is hovering around between Rs.1650-1750, which may rise by 50-60 Rs. Consumption has also decreased in this season.

According to traders, Wheat prices rose in Jaipur due to firm demand and a fall in arrivals. In Jaipur, arrivals were pegged at 1,000 bags (1 bag = 100 kg), compared with 1,200 bags this week. In Indore, wheat prices were unchanged as demand and supply of the food grain were steady. Arrivals were pegged at 3,000 bags at the market.

Due to good and early rains in the current year, the Kharif sowing began sooner than usual and hence harvesting should also be early and hence rabi sowing can start earlier too. January 2021, could see the arrivals of the new wheat in Gondal Line and some such centers, which usually start in February.

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Government has sold 3390 tonnes of wheat in OMSS through E-Auctions in the First week of September'20. No rakes were sold. No purchase by state Government only bulk consumers bought 3390 tonnes of wheat respectively.

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.

International Market Update:

Reuters reported that recent precipitation in Argentina has helped revive the country's drought-stricken wheat crop. "The rains arrived just in time to put a floor under the damage that was being done to wheat yields," said the Buenos Aires Grain Exchange's (BAGE) chief analyst Esteban Copati. However, USDA reduced its Argentinian wheat production forecast from 20.5 MMT in August to 19.5 MMT in September, slightly lower than last year, if realized.

In its September World Agricultural Supply and Demand Estimates report, USDA increased its production forecasts for Australia and Canada. Beneficial rainfall over the past several months pulled Australia out of a historic, three-year drought. USDA now forecasts Australian wheat production will reach 28.5 MMT, up 10% from its August prediction and 87% more than the country's 2019/20 output, if realized. Total Canadian wheat production is expected to reach 36.0 MMT, up 6% from USDA's August forecast and up 11% from last year, if realized.

According to the Buenos Aires Grains Exchange, Argentine wheat was refreshed by rains on the Pampas grains belt last week but remained in need of more moisture if yields are to recover from a months-long dry spell.

The 2020 U.S. HRW and SRW harvests are officially complete and preparations for the 2021 crop have now begun. The PNW SW harvest made strong progress this week on favorable field conditions. Farmers in Washington have harvested 88% of the expected SW crop. Idaho's SW crop is 94% harvested and Oregon's SW harvest is now complete.

According to Agritel, a European agriculture consultancy, French soft (non-durum) wheat production is expected to fall 25% on the year to 29.5 MMT following an overly wet fall in 2019 and an extremely dry growing season throughout 2020. The consultancy believes the drop in production could result in a 40% decrease in French soft wheat exports in marketing year 2020/21.

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 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.

Wheat Futures Contract: NCDEX Price							Date: 14.09.2020 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
20-Aug	0	-	-	-	1759				
20-Sep	0	-	-	-	1765				
20-Oct	0	-	-	-	1771				

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
			14-Sep-20	12-Sep-20	
Delhi	Lawrence Road	Mill Delivery	1835	1840	-5
	Narella	Mill Quality Loose	1665	1660	5
	Nazafgarh	Mill Quality Loose	1665	1660	5
Gujarat	Rajkot	Mill Delivery	1630	1620	10
	Ahmedabad	Mill Delivery	1720	1715	5
	Surat	Mill Delivery	1760	1750	10
	Dhrol	Mill Quality Loose	1525	NA	-
M.P.	Indore	Mill Delivery	1775	1780	-5
	Bhopal	Mill Quality Loose	1600	1630	-30
Rajasthan	Kota	Mill Quality Loose	1575	1580	-5
		Mill Delivery	1700	1750	-50
U.P.	Kanpur	Mill Delivery	1760	1750	10
	Mathura	Mill Quality Loose	1630	1685	-55
	Kosi	Mill Quality Loose	1760	1700	60
	Hathras	Mill Quality Loose	1625	1625	Unch
	Aligarh	Mill Quality Loose	1650	1660	-10
Punjab	Khanna	Mill Quality Loose	1730	1725	5
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1725	1730	-5
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1650	1650	Unch
	Karnal	Mill Delivery	NA	NA	-

	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2000	2000	Unch
	Madurai	Mill Quality	2057	2057	Unch
	Coimbatore	Mill Quality	2057	2057	Unch
Bihar	Khagariya	Mill Delivery	1700	1700	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
			14-Sep-20	12-Sep-20	
Gujarat	Rajkot	Lokwan	1750	1750	Unch
M.P.	Indore	Lokwan	2100	2100	Unch
	Bhopal	Lokwan	1650	1650	Unch
	Bina	Sarbati 306	2400	2400	Unch
Rajasthan	Kota	Lokwan Bilty	1900	1900	Unch
	Baran	Lokwan	NA	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			14-Sep-20	12-Sep-20	
Delhi	Lawrence Road	Mill Delivery	4500	4000	500
	Narella	Mill Quality Loose	300	500	-200
	Nazafgarh	Mill Quality Loose	250	200	50
Gujarat	Rajkot	Mill Quality Loose	1600	1400	200
	Dhrol	Mill Quality Loose	2355	NA	-
M.P.	Indore	Mill Quality Loose	5000	3000	2000
Rajasthan	Kota	Mill Quality	6000	10000	-4000
U.P.	Kanpur	Mill Quality Loose	1000	700	300
	Mathura	Mill Quality Loose	300	400	-100
	Kosi	Mill Quality Loose	200	100	100
	Hathras	Mill Quality Loose	200	600	-400
	Aligarh	Mill Quality Loose	700	400	300
Punjab	Khanna	Mill Quality Loose	500	300	200
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	300	200	100
	Hodal	Mill Quality Loose	30	30	Unch
	Bhiwani	Mill Quality Loose	300	300	Unch
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	14-Sep-20	12-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: 11.09.2020					
Contract Month	Open	High	Low	Close	Change
Sep-20	543.00	543.00	533.75	533.75	-6.25↓
Dec-20	548.25	552.25	539.75	542.00	-6.25↓
Mar-21	556.75	560.75	549.00	550.75	-6.50↓
May-21	563.00	566.00	554.75	557.00	-5.75↓
Jul-21	562.00	565.00	555.00	557.00	-5.00↓
Sep-21	566.25	570.25	561.00	562.75	-4.50↓

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