

Wheat Domestic Fundamentals:

According to the traders, Prices of Wheat fell in Jaipur due to weak bulk demand amid a steady supply. Prices declined in Indore as well. Arrivals of the food grain were steady at 2,500 bags (1 bag = 100 kg) in Indore. In Jaipur, arrivals were steady at 1,000 bags.

This species was to be distributed to the farmers from Karnal itself. The new wheat varieties DBW 187 and DBW 222 were trialed in the district. The production capacity of DBW is 96 quintals, and that of DBW 222 is 80 quintals per hectare. Farmers go directly and buy wheat from Karnal by giving their details, but due to COVID 19, all the arrangements have changed. The government has also made arrangements for the registration of wheat seeds this time to prevent infection.

As per market sources, wheat stock in the central pool as on 1st September'20 stood at 478.32 lakh tonnes, down by 7.3% compared to last month. This quantity is higher by around 13.25% compared to the previous year for the same month.

Wheat is being distributed in the PMGKAY scheme all over India and other schemes in Madhya Pradesh and other states, due to which the price of wheat has been reduced by Rs 400-500. Usually, wheat prices rise in September, but this time the situation is different. Wheat sales through OMSS also got weakened this season. Wheat markets can be in a prolonged slump environment.

As per trade source, India has exported around 64.56 thousand tonnes in the month of August-2020. The quantity in August -2020 was exported at an average FOB of \$ 142.56 per tonne, and the major destinations were Nepal, Bangladesh, Afghanistan, Cambodia, and Jordan. Exports are likely to be at the lower side as other countries can provide quality wheat at competitive prices.

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.

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.

International Market Update:

According to GASC, Egypt's state grain buyer bought 235,000 tonnes of wheat at its latest international purchasing tender on Wednesday. The wheat is of Polish and Russian origin.

Jordan's state grains buyer purchased 120,000 tonnes of hard milling wheat sourced from optional origins in a tender that closed on Wednesday. 60,000 tonnes were bought from trading house Ameropa at \$254.50 a tonne c&f for shipment in the first half of November. Another 60,000 tonnes was bought from trading house Aston at \$254.90 a tonne c&f also for shipment in the first half of November.

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

Wheat Futures Contract: NCDEX Price							Date: 19.09.2020 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
20-Aug	0	-	-	-	1743				
20-Sep	0	-	-	-	1749				
20-Oct	0	-	-	-	1754				

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
			19-Sep-20	18-Sep-20	
Delhi	Lawrence Road	Mill Delivery	1790	1800	-10
	Narella	Mill Quality Loose	1680	1700	-20
	Nazafgarh	Mill Quality Loose	1670	1680	-10
Gujarat	Rajkot	Mill Delivery	1610	1615	-5
	Ahmedabad	Mill Delivery	1700	1705	-5
	Surat	Mill Delivery	1750	1750	Unch
	Dhrol	Mill Quality Loose	1545	1580	-35
M.P.	Indore	Mill Delivery	1715	1700	15
	Bhopal	Mill Quality Loose	1600	1600	Unch
Rajasthan	Kota	Mill Quality Loose	1500	1500	Unch
		Mill Delivery	1625	1625	Unch
U.P.	Kanpur	Mill Delivery	1640	1700	-60
	Mathura	Mill Quality Loose	1630	1620	10
	Kosi	Mill Quality Loose	1680	1680	Unch
	Hathras	Mill Quality Loose	1625	1625	Unch
	Aligarh	Mill Quality Loose	1625	1650	-25
Punjab	Khanna	Mill Quality Loose	1705	1700	5
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1690	1705	-15
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1665	1675	-10
	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	1750	1750	Unch
	Muzaffarpur	Mill Delivery	1775	1775	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			19-Sep-20	18-Sep-20	
Gujarat	Rajkot	Lokwan	1850	1775	75
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1700	1700	Unch
	Bina	Sarbati 306	2400	2400	Unch
Rajasthan	Kota	Lokwan Bilty	1850	1850	Unch
	Baran	Lokwan	NA	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			19-Sep-20	18-Sep-20	
Delhi	Lawrence Road	Mill Delivery	5000	15000	-10000
	Narella	Mill Quality Loose	300	700	-400
	Nazafgarh	Mill Quality Loose	150	300	-150
Gujarat	Rajkot	Mill Quality Loose	1500	1700	-200
	Dhrol	Mill Quality Loose	995	173	822
M.P.	Indore	Mill Quality Loose	2500	3000	-500
Rajasthan	Kota	Mill Quality	8000	10000	-2000
U.P.	Kanpur	Mill Quality Loose	500	500	Unch
	Mathura	Mill Quality Loose	400	500	-100
	Kosi	Mill Quality Loose	250	250	Unch
	Hathras	Mill Quality Loose	200	150	50
	Aligarh	Mill Quality Loose	300	500	-200
Punjab	Khanna	Mill Quality Loose	500	600	-100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	50	50	Unch
	Bhiwani	Mill Quality Loose	300	200	100
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	19-Sep-20	18-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: 18.09.2020					
Contract Month	Open	High	Low	Close	Change
Dec-20	542.00	557.25	537.25	556.25	+14.25↑
Mar-21	551.00	565.00	546.25	564.00	+13.25↑
May-21	556.25	569.50	551.50	568.75	+12.50↑
Jul-21	555.75	567.75	550.50	567.25	+11.50↑
Sep-21	560.00	573.25	556.50	572.50	+11.00↑
Dec-21	568.25	582.50	566.75	581.75	+10.25↑

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