

Wheat Domestic Fundamentals:

All India's weekly average prices decreased by 14.35 percent YoY to Rs. 1788.49 per quintal during the week ended 30th Sep 2020. Wheat average prices were ruling at Rs 2161.99 per quintal during 24th Sep-30th Sep 2019. As compared to prices in the last week, 16th-23rd Sep 2020, the prices are high by 3.54 percent. The wheat market has stabilized, and prices are unlikely to rise till Dusshera & Diwali festival. But the prices of wheat seem to have hit bottom, and unlikely to drop further.

Changes in the weather system and the prices of crops directly impact the sowing of Rabi. Due to this, the trend of farmers of the Rajasthan state has reduced towards wheat in the last five years. Instead, the trend of farmers has increased towards the production of Gram. Officials of the agriculture department are also putting up mini kits and exhibitions of Gram instead of wheat. Simultaneously, the trend has also changed due to the sowing affected due to the lack of a favorable environment at the time of sowing.

The agriculture department in Himachal Pradesh has reduced the price of wheat seed by two rupees per kg. In 2019, the seed at agricultural centers was sold at Rs 33 per kg. This year, 31 kg is being sold. During the Corona period, the trend towards farming has increased. The agriculture department is in high demand for seeds. For this reason, the department has asked for five hundred quintals more seeds than last year. Out of the total demand of 12 thousand quintal seeds, eight thousand quintal seeds have reached the department. Sale of wheat seeds has started in agricultural centers. Now 4 thousand quintals of seeds are yet to come. Wheat sowing is to begin from October 15.

The government has sold 11130 tonnes of wheat in OMSS through E-Auctions in the fourth week of September'20. Till now; no rakes have been sold. Sale of wheat to bulk consumer 11300 and sale of Wheat to state Govt. 100000.

Indian FoB quote is hovering around \$226.26 per tonne while Russia, Ukraine, France, the US, and Australia offer wheat at \$237.50, \$236.50, Euro 167.10, \$248.27, and \$222.59 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.

As per FCI food grains stock, 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.

International Market Update:

The International Grains Council (IGC) raised its forecast for 2020/21 world wheat production by 1 million tonnes to 763 million tonnes from last year 2019/20. Forecast for production, consumption, and carry overstock remains unchanged, and the Wheat trade is up by 2 million tonnes to 183 million tonnes compared to last month.

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 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.

Wheat Futures Contract: NCDEX Price							Date: 29.09.2020 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
20-Oct	0	-	-	-	1738				
20-Nov	0	-	-	-	1744				
20-Dec	0	-	-	-	1749				

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 on 28-Sep-2020

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			29-Sep-20	28-Sep-20	
Delhi	Lawrence Road	Mill Delivery	1780	1800	-20
	Narella	Mill Quality Loose	1640	1665	-25
	Nazafgarh	Mill Quality Loose	1630	1650	-20
Gujarat	Rajkot	Mill Delivery	1610	1600	10
	Ahmedabad	Mill Delivery	1660	1630	30
	Surat	Mill Delivery	1710	1690	20
	Dhrol	Mill Quality Loose	NA	1545	-
M.P.	Indore	Mill Delivery	Closed	Closed	-
	Bhopal	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality Loose	1520	1500	20
		Mill Delivery	1645	1650	-5
U.P.	Kanpur	Mill Delivery	1680	1700	-20
	Mathura	Mill Quality Loose	1650	1650	Unch
	Kosi	Mill Quality Loose	1700	1700	Unch
	Hathras	Mill Quality Loose	1560	1580	-20
	Aligarh	Mill Quality Loose	1590	1600	-10
Punjab	Khanna	Mill Quality Loose	1680	1680	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1715	1700	15
	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	1850	1850	Unch
	Muzaffarpur	Mill Delivery	1800	1800	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			29-Sep-20	28-Sep-20	
Gujarat	Rajkot	Lokwan	1800	1800	Unch
M.P.	Indore	Lokwan	Closed	Closed	-
	Bhopal	Lokwan	Closed	Closed	-
	Bina	Sarbati 306	Closed	Closed	-
Rajasthan	Kota	Lokwan Bilty	1900	1900	Unch
	Baran	Lokwan	NA	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			29-Sep-20	28-Sep-20	
Delhi	Lawrence Road	Mill Delivery	5000	10000	-5000
	Narella	Mill Quality Loose	400	400	Unch
	Nazafgarh	Mill Quality Loose	200	250	-50
Gujarat	Rajkot	Mill Quality Loose	1400	1000	400
	Dhrol	Mill Quality Loose	NA	196	-
M.P.	Indore	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality	4000	6000	-2000
U.P.	Kanpur	Mill Quality Loose	1000	2000	-1000
	Mathura	Mill Quality Loose	600	600	Unch
	Kosi	Mill Quality Loose	250	220	30
	Hathras	Mill Quality Loose	200	400	-200
	Aligarh	Mill Quality Loose	700	400	300
Punjab	Khanna	Mill Quality Loose	500	400	100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	300	300	Unch
	Hodal	Mill Quality Loose	30	80	-50
	Bhiwani	Mill Quality Loose	500	500	Unch
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	29-Sep-20	28-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: 29.09.2020					
Contract Month	Open	High	Low	Close	Change
Dec-20	545.25	551.75	537.75	550.25	+6.00↑
Mar-21	551.50	558.25	545.25	557.00	+5.50↑
May-21	556.25	562.75	550.25	562.25	+6.00↑
Jul-21	556.75	563.00	550.75	562.00	+6.00↑
Sep-21	562.00	568.50	556.25	568.00	+6.25↑
Dec-21	571.50	578.75	566.25	578.25	+6.50↑

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