

**Wheat Domestic Fundamentals:**

**The government is allocating wheat for free to the poor in the market**, which has led to a huge reduction in the consumption of flour. In the event of non-sale of flour, flour mills are reducing wheat purchases. This is why mill quality wheat prices are running below the MSP in almost all states. Despite government procurement being at a record level, farmers also had high stocks. Private traders also have stock. This is the reason that markets are moving down significantly. There is a possibility that the government may extend the time of free ration distribution even beyond November, due to which the possibility of a rise in wheat is less visible.

**Prices of WHEAT in Jaipur and Indore were flat today due to steady** demand from bulk buyers amid a largely unchanged supply of the food grain, traders said. Arrivals in Jaipur were pegged steady at 1,000 bags (1 bag = 100 kg) and in Indore supply was at 1,500 bags, steady from Wednesday.

**All India's weekly average prices decreased by 14.35 percent YoY to Rs. 1788.49 per quintal** during the week ended 30<sup>th</sup> Sep 2020. Wheat average prices were ruling at Rs 2161.99 per quintal during 24<sup>th</sup> Sep-30<sup>th</sup> Sep 2019. As compared to prices in the last week, 16<sup>th</sup>-23<sup>rd</sup> 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:**

**Ukraine, hit by a severe drought, plans to cut winter wheat planted areas this fall to 6.1 million hectares** from 6.7 million a year earlier, the Economy Ministry said, farms have sown about 25% of the expected area or 1.5 million hectares. Forecasters call the weather conditions the worst in 10 years since only 10% to 15% of Ukraine's arable land is suitable for sowing winter crops of the 2021 harvest due to severe drought. Ukraine traditionally begins the sowing campaign of winter crops in early September, but this year the farmers started sowing a few weeks later.

**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

Wheat Futures Contact: NCDEX Price							Date: 03.10.2020 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
20-Oct	0	-	-	-	1725				
20-Nov	0	-	-	-	1731				
20-Dec	0	-	-	-	1736				

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 03<sup>rd</sup>-Oct-2020

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			3-Oct-20	1-Oct-20	
Delhi	Lawrence Road	Mill Delivery	1770	1800	-30
	Narella	Mill Quality Loose	1650	1640	10
	Nazafgarh	Mill Quality Loose	1620	1630	-10
Gujarat	Rajkot	Mill Delivery	1600	1600	Unch
	Ahmedabad	Mill Delivery	1620	1630	-10
	Surat	Mill Delivery	1680	1690	-10
	Dhrol	Mill Quality Loose	NA	NA	-
M.P.	Indore	Mill Delivery	Closed	Closed	-
	Bhopal	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality Loose	1550	1540	10
		Mill Delivery	1675	1670	5
U.P.	Kanpur	Mill Delivery	1700	1700	Unch
	Mathura	Mill Quality Loose	1600	1640	-40
	Kosi	Mill Quality Loose	1660	1715	-55
	Hathras	Mill Quality Loose	1550	1570	-20
	Aligarh	Mill Quality Loose	1640	1600	40
Punjab	Khanna	Mill Quality Loose	1700	1700	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1725	1725	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1670	1670	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	1875	1875	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
			3-Oct-20	1-Oct-20	
Gujarat	Rajkot	Lokwan	1825	1800	25
M.P.	Indore	Lokwan	Closed	Closed	-
	Bhopal	Lokwan	Closed	Closed	-
	Bina	Sarbati 306	Closed	Closed	-
Rajasthan	Kota	Lokwan Bilty	1900	1920	-20
	Baran	Lokwan	NA	NA	-

## Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			3-Oct-20	1-Oct-20	
Delhi	Lawrence Road	Mill Delivery	10000	8000	2000
	Narella	Mill Quality Loose	300	300	Unch
	Nazafgarh	Mill Quality Loose	200	200	Unch
Gujarat	Rajkot	Mill Quality Loose	1000	1200	-200
	Dhrol	Mill Quality Loose	NA	NA	-
M.P.	Indore	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality	6000	3000	3000
U.P.	Kanpur	Mill Quality Loose	1000	500	500
	Mathura	Mill Quality Loose	550	500	50
	Kosi	Mill Quality Loose	200	300	-100
	Hathras	Mill Quality Loose	250	200	50
	Aligarh	Mill Quality Loose	300	500	-200
Punjab	Khanna	Mill Quality Loose	500	500	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	300	300	Unch
	Hodal	Mill Quality Loose	40	40	Unch
	Bhiwani	Mill Quality Loose	250	200	50
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	3-Oct-20	1-Oct-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: 02.10.2020					
Contract Month	Open	High	Low	Close	Change
<b>Dec-20</b>	569.25	576.50	561.25	573.25	+3.00↑
<b>Mar-21</b>	574.00	582.25	567.50	579.50	+3.00↑
<b>May-21</b>	578.75	585.50	572.00	583.50	+3.25↑
<b>Jul-21</b>	576.00	582.00	569.25	581.00	+4.00↑
<b>Sep-21</b>	579.50	585.75	575.25	585.25	+3.50↑
<b>Dec-21</b>	588.25	594.25	584.00	593.75	+3.00↑

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