

**Wheat Domestic Fundamentals:**

**All India's weekly average prices decreased by 12.94 percent YoY to Rs. 1864.78 per quintal during the week ended 08<sup>th</sup> Oct 2020.** Wheat average prices were ruling at Rs 2141.88 per quintal during 01<sup>st</sup> Oct-08<sup>th</sup> Oct 2019. As compared to prices in the last week, 24<sup>th</sup>-30<sup>th</sup> Sep 2020, the prices are high by 0.70 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.

**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.

**International Market Update:**

**Australia's Bureau of Meteorology declared that La Niña conditions had developed in the Pacific Ocean.** La Niña weather patterns are typically associated with greater rainfall, more tropical cyclones and cooler than average temperatures in the equatorial Pacific Ocean. "Climate models suggest these patterns will continue until at least the end of the year," the bureau said in a statement. The weather event, which mainly affects Australia's north and east, could boost the country's 2020/21 wheat yields.

**According to the Buenos Aires Grain Exchange (BAGE),** Argentina's wheat crop continues to suffer from persistent dryness. In the country's northern region, "harvest expectations are increasingly compromised with no chance of recovery due to extreme drought," said BAGE on Sept. 24.

**Russian wheat export prices rose last week in response to higher Chicago prices** Wv1, the IKAR consultancy said on Monday. Russian wheat with 12.5% protein loading from Black Sea ports and for supply in October was at \$237 a tonne free on board (FOB) at the end of last week, up \$4 from the previous week, agriculture consultancy IKAR said in a note.

Wheat Futures Contract: NCDEX Price							Date: 05.10.2020 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
			5-Oct-20	3-Oct-20	
Delhi	Lawrence Road	Mill Delivery	1780	1770	10
	Narella	Mill Quality Loose	1640	1650	-10
	Nazafgarh	Mill Quality Loose	1615	1620	-5
Gujarat	Rajkot	Mill Delivery	1610	1600	10
	Ahmedabad	Mill Delivery	1650	1620	30
	Surat	Mill Delivery	1700	1680	20
	Dhrol	Mill Quality Loose	NA	NA	-
M.P.	Indore	Mill Delivery	Closed	Closed	-
	Bhopal	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality Loose	1530	1550	-20
		Mill Delivery	1655	1675	-20
U.P.	Kanpur	Mill Delivery	1640	1700	-60
	Mathura	Mill Quality Loose	1600	1600	Unch
	Kosi	Mill Quality Loose	1675	1660	15
	Hathras	Mill Quality Loose	1600	1550	50
	Aligarh	Mill Quality Loose	1580	1640	-60
Punjab	Khanna	Mill Quality Loose	1670	1700	-30
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1690	1725	-35
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1660	1670	-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	1800	1875	-75
	Muzaffarpur	Mill Delivery	1775	1800	-25
<b>FOR</b>	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			5-Oct-20	3-Oct-20	
<b>Gujarat</b>	Rajkot	Lokwan	1800	1825	-25
<b>M.P.</b>	Indore	Lokwan	Closed	Closed	-
	Bhopal	Lokwan	Closed	Closed	-
	Bina	Sarbati 306	Closed	Closed	-
<b>Rajasthan</b>	Kota	Lokwan Bilty	1900	1900	Unch
	Baran	Lokwan	NA	NA	-

**Wheat Arrivals in Key Centers:**

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			5-Oct-20	3-Oct-20	
<b>Delhi</b>	Lawrence Road	Mill Delivery	7000	10000	-3000
	Narella	Mill Quality Loose	500	300	200
	Nazafgarh	Mill Quality Loose	300	200	100
<b>Gujarat</b>	Rajkot	Mill Quality Loose	1500	1000	500
	Dhrol	Mill Quality Loose	NA	NA	-
<b>M.P.</b>	Indore	Mill Quality Loose	Closed	Closed	-
<b>Rajasthan</b>	Kota	Mill Quality	10000	6000	4000
<b>U.P.</b>	Kanpur	Mill Quality Loose	600	1000	-400
	Mathura	Mill Quality Loose	600	550	50
	Kosi	Mill Quality Loose	150	200	-50
	Hathras	Mill Quality Loose	150	250	-100
	Aligarh	Mill Quality Loose	600	300	300
<b>Punjab</b>	Khanna	Mill Quality Loose	600	500	100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Quality Loose	200	300	-100
	Hodal	Mill Quality Loose	50	40	10
	Bhiwani	Mill Quality Loose	400	250	150
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	5-Oct-20	3-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: 05.10.2020					
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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