

Wheat Domestic Fundamentals:

Due to the availability of MSP on the wheat crop, farmers stay away from pulses and oilseeds. The farmers of the state are mainly oriented towards the cultivation of wheat and pulses and oilseeds have to be imported from other states or imported. The reason for this is due to farmers turning away from pulses and oilseeds cultivation.

According to traders, the prices of Wheat in Jaipur and Indore were flat due to steady demand from bulk buyers amid largely unchanged supply of the foodgrain. Arrivals in Jaipur and Indore were pegged steady from Wednesday at 1,000 bags (1 bag = 100 kg), and 1,500 bags, respectively.

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

Russia is going to ship 200,000 metric tons of high standard wheat this month under GtoG arrangement in a bid to stabilize the prices of this essential product. And the remaining part of the wheat consignment would be imported from Russia sometime in December through the TCP tenders.

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.

Wheat Futures Contract: NCDEX Price							Date: 06.10.2020 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
20-Oct	0	-	-	-	1740				
20-Nov	0	-	-	-	1746				
20-Dec	0	-	-	-	1751				

Spread	Sep-20	Oct-20	Nov-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 03rd-Oct-2020

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			6-Oct-20	5-Oct-20	
Delhi	Lawrence Road	Mill Delivery	1780	1780	Unch
	Narella	Mill Quality Loose	1650	1640	10
	Nazafgarh	Mill Quality Loose	1630	1615	15
Gujarat	Rajkot	Mill Delivery	1610	1610	Unch
	Ahmedabad	Mill Delivery	1650	1650	Unch
	Surat	Mill Delivery	1700	1700	Unch
	Dhrol	Mill Quality Loose	NA	NA	-
M.P.	Indore	Mill Delivery	Closed	Closed	-
	Bhopal	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality Loose	1525	1530	-5
		Mill Delivery	1650	1655	-5
U.P.	Kanpur	Mill Delivery	1620	1640	-20
	Mathura	Mill Quality Loose	1600	1600	Unch
	Kosi	Mill Quality Loose	1610	1675	-65
	Hathras	Mill Quality Loose	1550	1600	-50
	Aligarh	Mill Quality Loose	1580	1580	Unch
Punjab	Khanna	Mill Quality Loose	1670	1670	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1690	1690	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1665	1660	5
	Karnal	Mill Delivery	NA	NA	-

	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1950	2000	-50
	Madurai	Mill Quality	2007	2057	-50
	Coimbatore	Mill Quality	2007	2057	-50
Bihar	Khagariya	Mill Delivery	1800	1800	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
			6-Oct-20	5-Oct-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
			6-Oct-20	5-Oct-20	
Delhi	Lawrence Road	Mill Delivery	4000	7000	-3000
	Narella	Mill Quality Loose	300	500	-200
	Nazafgarh	Mill Quality Loose	100	300	-200
Gujarat	Rajkot	Mill Quality Loose	1200	1500	-300
	Dhrol	Mill Quality Loose	NA	NA	-
M.P.	Indore	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality	4000	10000	-6000
U.P.	Kanpur	Mill Quality Loose	800	600	200
	Mathura	Mill Quality Loose	500	600	-100
	Kosi	Mill Quality Loose	220	150	70
	Hathras	Mill Quality Loose	250	150	100
	Aligarh	Mill Quality Loose	500	600	-100
Punjab	Khanna	Mill Quality Loose	400	600	-200
	(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	400	-100
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	6-Oct-20	5-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
Dec-20	574.50	587.75	573.00	584.25	+11.00↑
Mar-21	579.50	592.50	579.25	590.25	+10.75↑
May-21	584.00	595.75	583.50	593.50	+10.00↑
Jul-21	581.50	589.75	580.50	589.25	+8.25↑
Sep-21	585.25	593.25	585.00	593.00	+7.75↑
Dec-21	595.00	600.50	592.75	600.50	+6.75↑

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