

Wheat Domestic Fundamentals:

The effect of stopping the wheels of goods trains in Punjab will affect the sowing of wheat. The agriculture department has only 7% Urea and 71% DAP fertilizer stock left. If trains do not run in time, farmers will not get Urea and DAP fertilizer. In such a situation, farmers may face difficulties in sowing wheat this year.

On Sunday, the Punjab government approved Wheat Seed Subsidy Policy-2020-21 of the Agriculture Department to provide certified wheat seed at 50% subsidy to farmers in the Rabi season. A total of 1.85 lakh quintals of certified seed, with Rs 18.50 crore worth of subsidy, will directly benefit approximately 2.5 lakh farmers under the policy.

On Wednesday, wheat mill delivery in Jaipur mandi rose by Rs 40 a quintal due to the demand coming out due to the festive season and the loss of the arrivals. At the same time, there is a perception of a rise in wheat due to flour mills' purchase.

As the government looks to liquidate its mounting stocks of wheat, flour millers have advised it to lower the rate at which wheat is sold for open market operations by Rs 500 a quintal. It sells its good quality wheat at Rs 2,135 a quintal and luster loss wheat at Rs 2,080 a quintal. Flour millers are demanding a further reduction of Rs 500/quintal in this price as it has not been revised since last December.

The central government may soon announce to carry forward the scheme till March of giving ration to the country's poor people for free under the Pradhan Mantri Garib Kalyan Yojana. If Govt. increases the scheme till next year then prices are going to impact.

The trend of roller flour millers in the Punjab state is on the local purchase of wheat. Till now, the state's millers were buying wheat from Uttar Pradesh and Rajasthan at low prices. Millers claim that more than 3 lakh tonnes of wheat have been sourced from other countries in Punjab since April, but now the FCI procurement has started increasing due to the rate competitiveness. Millers argue that the entire trend of wheat procurement will depend on government policies in the coming times.

According to the traders, there are low chances of any downward movement in wheat in the coming days as the impact of the Covid-19 is diminishing, and economic activity is improving. The scheme of free wheat and rice can be extended further, which will impact the prices from the current level, while prices in mandis are increasing now due to less supply from FCI and low arrivals in mandis.

International Market Update:

In Pakistan, Economic Coordination Committee (ECC) has decided to propose to the Cabinet Rs 1600 as minimum support price (MSP) for wheat crop for fiscal year 2020-2021.

Argentine farmers are expected to harvest 16.8 million tonnes of wheat this season, the Buenos Aires Grains Exchange said in its weekly crop report on Thursday, citing months of dry weather as its reason for cutting its previous 17.5 million tonne estimate. Argentine wheat is harvested in December and January, with most of each crop exported to neighboring Brazil.

The Ukrainian wheat market was slow with a low buying interest. Offers for 11.5% protein wheat FOB Ukraine Panamax ports December-loading were heard at \$258/mt.

Gene-edited wheat is to be grown in Argentina, as the country becomes the first in the world to give the green light on the use of the drought-resistant crop. The new generation of wheat is known as BIOX.BA HB4 and was developed by Triggall Genetics in partnership with Bioceres BIOX. A and France's Florimond Desprez. In infield trials conducted over the past ten years, the seed varieties showed an average increased crop yield of 20 percent during growing seasons affected by droughts.

Jordan's state grains buyer purchased 60,000 tonnes of hard milling wheat to be sourced from optional origins in a tender which closed on Wednesday, traders said. It was bought from trading house CHS at \$272.00 a tonne c&f for shipment in the first half of February 2021, they said. One other trading house participated in the tender, Aston which offered \$288.00 a tonne c&f, they said.

Russian wheat export prices rose last week due to high demand from exporters and limited supply from farmers

Wheat Futures Contact: NCDEX Price							Date: 02.11.2020 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
21-Nov	0	-	-	-	1776				
21-Dec	0	-	-	-	1781				
21-Jan	0	-	-	-	2249				

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 02nd-Nov-2020

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			2-Nov-20	31-Oct-20	
Delhi	Lawrence Road	Mill Delivery	1865	1875	-10
	Narella	Mill Quality Loose	1720	1730	-10
	Nazafgarh	Mill Quality Loose	1690	1700	-10
Gujarat	Rajkot	Mill Delivery	1725	1725	Unch
	Ahmedabad	Mill Delivery	1760	1750	10
	Surat	Mill Delivery	1830	1820	10
	Dhrol	Mill Quality Loose	NA	1630	-
M.P.	Indore	Mill Delivery	1750	1775	-25
	Bhopal	Mill Quality Loose	1600	1550	50
Rajasthan	Kota	Mill Quality Loose	1670	1700	-30
		Mill Delivery	1795	1825	-30
U.P.	Kanpur	Mill Delivery	1680	1640	40
	Mathura	Mill Quality Loose	1640	1680	-40
	Kosi	Mill Quality Loose	1650	1620	30
	Hathras	Mill Quality Loose	1670	1650	20
	Aligarh	Mill Quality Loose	1650	1640	10
Punjab	Khanna	Mill Quality Loose	1600	1620	-20
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1750	1750	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1670	1680	-10
	Karnal	Mill Delivery	NA	NA	-

	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1975	1950	25
	Madurai	Mill Quality	2032	2007	25
	Coimbatore	Mill Quality	2032	2007	25
Bihar	Khagariya	Mill Delivery	1900	1900	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
			2-Nov-20	31-Oct-20	
Gujarat	Rajkot	Lokwan	1850	1850	Unch
M.P.	Indore	Lokwan	2100	2000	100
	Bhopal	Lokwan	1700	1700	Unch
	Bina	Sarbati 306	2500	2500	Unch
Rajasthan	Kota	Lokwan Bilty	1950	1950	Unch
	Baran	Lokwan	NA	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			2-Nov-20	31-Oct-20	
Delhi	Lawrence Road	Mill Delivery	6000	4000	2000
	Narella	Mill Quality Loose	400	450	-50
	Nazafgarh	Mill Quality Loose	50	100	-50
Gujarat	Rajkot	Mill Quality Loose	1500	1700	-200
	Dhrol	Mill Quality Loose	NA	81	-
M.P.	Indore	Mill Quality Loose	4000	3000	1000
Rajasthan	Kota	Mill Quality	9000	7500	1500
U.P.	Kanpur	Mill Quality Loose	1000	700	300
	Mathura	Mill Quality Loose	350	400	-50
	Kosi	Mill Quality Loose	250	200	50
	Hathras	Mill Quality Loose	300	200	100
	Aligarh	Mill Quality Loose	500	300	200
Punjab	Khanna	Mill Quality Loose	500	500	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	50	100	-50
	Bhiwani	Mill Quality Loose	500	300	200
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	2-Nov-20	31-Oct-20	Change
Atta (50kg) Ordinary	1030	1030	Unch
Maida Grade 1 (50KG)	NA	NA	-
Suji (50kg)	1285	1285	Unch
Chokar (50 kg)	NA	NA	-
Chokar (34 kg)	NA	NA	-
Chakki Atta (50kg)	1045	1045	Unch
Chakki Atta (50kg) Special	NA	NA	-
Chakki Atta (90kg) Superfine	NA	NA	-
Chakki Atta (50kg) Superfine	NA	NA	-

Wheat (CBOT) Future Price: 30.10.2020					
Contract Month	Open	High	Low	Close	Change
Dec-20	602.00	607.25	595.25	598.50	-5.25↓
Mar-21	601.00	607.25	596.75	600.00	-3.00↓
May-21	600.00	605.75	596.75	600.25	-1.00↓
Jul-21	592.75	597.50	589.25	592.50	-0.50↓
Sep-21	594.25	599.75	591.50	594.75	-0.50↓
Dec-21	600.75	606.25	597.50	601.25	-0.75↓

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