

**Wheat Domestic Fundamentals:**

**According to traders, Prices of mill-quality Wheat** in Kota, Rajasthan, fell today because of a rise in the supply of the foodgrain. Arrivals were pegged sharply higher at 40,000 bags (1 bag = 100 kg), up from 15,000 bags on Monday.

**In Jaipur, another key market in Rajasthan, prices of the foodgrain fell** due to a marginal increase in supply. Arrivals were pegged at 5,500 bags (1 bag = 100 kg), higher than 5,000 bags on the previous day. Arrivals increased because farmers offloaded more stock in the market ahead of Diwali, traders said.

**According to a senior finance ministry official, "It is unlikely that we will extend** the free food grain plan. As of now, there is no plan to do so, "The Government is unlikely to expand the distribution of free food grain under the Pradhan Mantri Garib Kalyan Anna Yojana beyond November.

**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.

Wheat Futures Contract: NCDEX Price							Date: 04.11.2020 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
21-Nov	0	-	-	-	1764				
21-Dec	0	-	-	-	1768				
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 04<sup>th</sup>-Nov-2020**

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			4-Nov-20	3-Nov-20	
Delhi	Lawrence Road	Mill Delivery	1890	1880	10
	Narella	Mill Quality Loose	Closed	1750	-
	Nazafgarh	Mill Quality Loose	Closed	1700	-
Gujarat	Rajkot	Mill Delivery	1700	1700	Unch
	Ahmedabad	Mill Delivery	1740	1740	Unch
	Surat	Mill Delivery	1800	1800	Unch
	Dhrol	Mill Quality Loose	NA	NA	-
M.P.	Indore	Mill Delivery	1750	1760	-10
	Bhopal	Mill Quality Loose	1600	1600	Unch
Rajasthan	Kota	Mill Quality Loose	1700	1670	30
		Mill Delivery	1825	1770	55
U.P.	Kanpur	Mill Delivery	1700	1680	20
	Mathura	Mill Quality Loose	1620	1640	-20
	Kosi	Mill Quality Loose	1650	1650	Unch
	Hathras	Mill Quality Loose	1600	1610	-10
	Aligarh	Mill Quality Loose	Closed	1600	-
Punjab	Khanna	Mill Quality Loose	1600	1600	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1750	1750	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1650	1660	-10
	Karnal	Mill Delivery	NA	NA	-

	Panipat	Mill Quality Loose	NA	NA	-
<b>Tamil Nadu</b>	Chennai	Mill Quality	1975	1975	Unch
	Madurai	Mill Quality	2032	2032	Unch
	Coimbatore	Mill Quality	2032	2032	Unch
<b>Bihar</b>	Khagariya	Mill Delivery	1900	Closed	-
	Muzaffarpur	Mill Delivery	1825	Closed	-
<b>FOR</b>	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			4-Nov-20	3-Nov-20	
<b>Gujarat</b>	Rajkot	Lokwan	1850	1850	Unch
<b>M.P.</b>	Indore	Lokwan	2100	2100	Unch
	Bhopal	Lokwan	1700	1700	Unch
	Bina	Sarbati 306	Closed	2500	-
<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
			4-Nov-20	3-Nov-20	
<b>Delhi</b>	Lawrence Road	Mill Delivery	3500	4000	-500
	Narella	Mill Quality Loose	Closed	500	-
	Nazafgarh	Mill Quality Loose	Closed	100	-
<b>Gujarat</b>	Rajkot	Mill Quality Loose	1300	1400	-100
	Dhrol	Mill Quality Loose	NA	NA	-
<b>M.P.</b>	Indore	Mill Quality Loose	5000	5000	Unch
<b>Rajasthan</b>	Kota	Mill Quality	8000	7000	1000
<b>U.P.</b>	Kanpur	Mill Quality Loose	700	1000	-300
	Mathura	Mill Quality Loose	200	400	-200
	Kosi	Mill Quality Loose	100	200	-100
	Hathras	Mill Quality Loose	150	60	90
	Aligarh	Mill Quality Loose	Closed	500	-
<b>Punjab</b>	Khanna	Mill Quality Loose	100	300	-200
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Quality Loose	300	200	100
	Hodal	Mill Quality Loose	100	70	30
	Bhiwani	Mill Quality Loose	400	700	-300
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	4-Nov-20	3-Nov-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: 03.11.2020					
Contract Month	Open	High	Low	Close	Change
<b>Dec-20</b>	607.00	616.50	604.00	608.00	+0.50↑
<b>Mar-21</b>	608.00	615.50	604.75	610.00	+2.00↑
<b>May-21</b>	607.00	614.00	604.50	609.75	+2.25↑
<b>Jul-21</b>	598.25	604.25	595.75	602.00	+3.00↑
<b>Sep-21</b>	599.50	606.25	598.50	603.75	+3.00↑
<b>Dec-21</b>	606.75	611.50	604.50	610.25	+3.00↑

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