

Wheat Domestic Fundamentals:

According to a Government official, the food ministry has proposed to halve the allocation of free rice and wheat to 2.5 kg per month but keep pulses at 1 kg. The food ministry has suggested tweaks in the free food grain plan, including a reduction in allocations, after the finance ministry indicated it is not keen on extending the scheme beyond November because of the strained fiscal situation. The food ministry has also proposed monthly extensions to the plan after reviewing the budgetary situation

According to traders, In Indore's prices of Wheat fell today due to a sharp rise in arrivals and a largely steady demand from bulk buyers, traders said. Arrivals were pegged at 4,000 bags (1 bag = 100 kg), up from 3,000 bags on Thursday. In Jaipur, prices of Wheat were unchanged because of steady arrivals and demand. Arrivals were pegged at 5,000 bags.

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.

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:

Prices of Australian wheat offered in Asia slid this week below Black Sea values for the first time in at least four years, with the country forecast to harvest a near-record crop. Australia Premium White (APW) wheat is being quoted at \$275 a tonne, including (C&F), compared with a similar quality of Black Sea wheat at \$285 a tonne. Price is likely to drop further as the crop looks good. For the first quarter, Asian wheat buyers will shift to Australia because Prices are cheaper, and the quality is good.

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: 07.11.2020 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
21-Nov	0	-	-	-	1768				
21-Dec	0	-	-	-	1773				
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 07th-Nov-2020

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			7-Nov-20	6-Nov-20	
Delhi	Lawrence Road	Mill Delivery	1880	1890	-10
	Narella	Mill Quality Loose	1750	1770	-20
	Nazafgarh	Mill Quality Loose	1700	1710	-10
Gujarat	Rajkot	Mill Delivery	1715	1710	5
	Ahmedabad	Mill Delivery	1740	1760	-20
	Surat	Mill Delivery	1800	1820	-20
	Dhrol	Mill Quality Loose	NA	1630	-
M.P.	Indore	Mill Delivery	1750	1725	25
	Bhopal	Mill Quality Loose	1650	1560	90
Rajasthan	Kota	Mill Quality Loose	1650	1700	-50
		Mill Delivery	1775	1825	-50
U.P.	Kanpur	Mill Delivery	1800	1700	100
	Mathura	Mill Quality Loose	1680	1640	40
	Kosi	Mill Quality Loose	1700	1640	60
	Hathras	Mill Quality Loose	1650	1650	Unch
	Aligarh	Mill Quality Loose	1700	1650	50
Punjab	Khanna	Mill Quality Loose	1640	1600	40
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1750	1750	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1790	1650	140
	Karnal	Mill Delivery	NA	NA	-

	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1975	1975	Unch
	Madurai	Mill Quality	2032	2032	Unch
	Coimbatore	Mill Quality	2032	2032	Unch
Bihar	Khagariya	Mill Delivery	1900	1900	Unch
	Muzaffarpur	Mill Delivery	1675	1700	-25
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			7-Nov-20	6-Nov-20	
Gujarat	Rajkot	Lokwan	1850	1850	Unch
M.P.	Indore	Lokwan	2100	2000	100
	Bhopal	Lokwan	1800	1680	120
	Bina	Sarbati 306	2400	2400	Unch
Rajasthan	Kota	Lokwan Bilty	1900	1900	Unch
	Baran	Lokwan	NA	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			7-Nov-20	6-Nov-20	
Delhi	Lawrence Road	Mill Delivery	9000	10000	-1000
	Narella	Mill Quality Loose	300	600	-300
	Nazafgarh	Mill Quality Loose	50	200	-150
Gujarat	Rajkot	Mill Quality Loose	1000	900	100
	Dhrol	Mill Quality Loose	NA	87	-
M.P.	Indore	Mill Quality Loose	4000	4000	Unch
Rajasthan	Kota	Mill Quality	9000	5000	4000
U.P.	Kanpur	Mill Quality Loose	400	400	Unch
	Mathura	Mill Quality Loose	400	300	100
	Kosi	Mill Quality Loose	210	170	40
	Hathras	Mill Quality Loose	250	250	Unch
	Aligarh	Mill Quality Loose	300	700	-400
Punjab	Khanna	Mill Quality Loose	100	300	-200
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	60	100	-40
	Bhiwani	Mill Quality Loose	400	700	-300
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	7-Nov-20	6-Nov-20	Change
Atta (50kg) Ordinary	1080	1030	50
Maida Grade 1 (50KG)	NA	NA	-
Suji (50kg)	1335	1285	50
Chokar (50 kg)	NA	NA	-
Chokar (34 kg)	NA	NA	-
Chakki Atta (50kg)	1090	1045	45
Chakki Atta (50kg) Special	NA	NA	-
Chakki Atta (90kg) Superfine	NA	NA	-
Chakki Atta (50kg) Superfine	NA	NA	-

Wheat (CBOT) Future Price: 06.11.2020					
Contract Month	Open	High	Low	Close	Change
Dec-20	607.75	615.75	601.75	602.00	-7.25↓
Mar-21	613.00	619.50	608.50	609.00	-4.50↓
May-21	614.00	620.00	610.00	610.75	-3.75↓
Jul-21	604.25	611.00	602.50	605.75	-1.25↓
Sep-21	607.25	612.50	604.00	607.75	-1.00↓
Dec-21	616.00	618.50	610.75	614.50	-0.75↓

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2020 Indian Agribusiness Systems Ltd.