

Wheat Domestic Fundamentals:

All India's weekly average prices decreased by 11.01 percent to Rs. 1827.84 per quintal during the week ended 15th Nov 2020. Wheat average prices were ruling at Rs 2229.07 per quintal during 09th - 15th Nov 2019. The wheat market has stabilized, and prices are likely to rise in the coming weeks due to festivals and higher export. The wheat prices are unlikely to drop much further because the PMGKY scheme may be discontinued in November as there's no official announcement that it will continue after November, so far.

Sowing of Rabi crops is going on in full swing across the country. Along with this, the government has recently announced good news for the farmers. Rajasthan's state government has decided to provide certified seeds to the farmers of the state at a 50 percent discount from the prescribed rate. For this, preparations have started to sell wheat seeds to reach up to rural service cooperative societies.

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.

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

Wheat Futures Contact: NCDEX Price							Date: 09.11.2020 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 09th-Nov-2020

Spot Market Price:							
Centre	Market	Variety	Prices (Rs/Qtl)				
			Today	Yesterday	Week Ago	Month Ago	Year Ago
			9-Nov-20	7-Nov-20	2-Nov-20	9-Oct-20	11-Nov-19
Delhi	Lawrence Road	Mill Delivery	1875	1880	1865	1800	2260
	Narella	Mill Quality Loose	1760	1750	1720	1640	2210
	Nazafgarh	Mill Quality Loose	1700	1700	1690	1630	2100
Gujarat	Rajkot	Mill Delivery	1700	1715	1725	1620	2220
	Ahmedabad	Mill Delivery	1760	1740	1760	1640	2280
	Surat	Mill Delivery	1820	1800	1830	1700	2350
	Dhrol	Mill Delivery	1610	NA	1595	1515	2375
M.P.	Indore	Mill Delivery	1730	1750	1750	1650	2260
	Bhopal	Mill Quality Loose	1615	1650	1600	1550	2100
Rajasthan	Kota	Mill Quality Loose	1660	1650	1670	1600	2050
		Mill Delivery	1785	1775	1795	1700	2180
U.P.	Kanpur	Mill Delivery	1760	1800	1680	1635	2080
	Mathura	Mill Quality Loose	1680	1680	1640	1620	0
	Kosi	Mill Quality Loose	1700	1700	1650	1620	2025
	Hathras	Mill Quality Loose	1620	1650	1670	1560	2000

	Aligarh	Mill Quality Loose	1640	1700	1650	1580	1940
Punjab	Khanna	Mill Quality Loose	1650	1640	1600	1680	NA
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	NA	NA	0
Haryana	Sirsa	Mill Delivery loose	1750	1750	1750	1690	2100
	Hodal	Mill Delivery	NA	NA	NA	NA	0
	Bhiwani	Mill Quality Loose	1760	1790	1670	1680	2125
	Karnal	Mill Delivery	NA	NA	NA	0	0
	Panipat	Mill Quality Loose	NA	NA	NA	0	0
Tamil Nadu	Chennai	Mill Quality	1975	1975	1975	1950	2450
	Madurai	Mill Quality	2032	2125	2125	2100	2600
	Coimbatore	Mill Quality	2032	2175	2175	2150	2650
Bihar	Khagariya	Mill Delivery	1900	1900	1900	1800	2100
	Muzaffarpur	Mill Delivery	1675	1675	1800	1725	2010

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↓

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