

Wheat Domestic Fundamentals:

Punjab could be staring at a much bigger crisis if it does not immediately get the much-needed fertilizers for the wheat crop. As farmers stare at a severe shortage, in the wake of the suspension of rail services in the state and rakes of fertilizers stuck outside, they resort to desperate measures to ensure a steady supply. From buying urea at much higher rates (Rs 325-350 per kg against a cost of Rs 265) to rushing to neighboring states of Haryana and Rajasthan, farmers are desperately trying to ensure that their wheat crop gets cultivated successfully. The state immediately needs vast quantities of urea and di ammonium phosphate (DAP) for the wheat crop, which has already started sowing. Wheat is expected to be cultivated on almost 35 lakh hectares in the state. Punjab needs nearly 19 lakh quintals of DAP and 8 lakh tonnes of urea for this wheat season. "DAP is used at the time of sowing, while urea is to be applied three weeks after sowing.

Demand in wheat products remains weak despite the festive season, so its prices are not improving. According to traders, the wheat business has not yet come out of the recession environment due to limited demand of flour mills as there is a concern about the government's policies.

According to traders, Prices of Wheat were steady in Indore due to a rise in both bulk demand and supply, traders said. Arrivals were pegged at 7,000 bags (1 bag = 100 kg), as against 6,000 bags on Tuesday. In Jaipur, too, prices were flat amid steady arrivals and demand, the traders said. Arrivals were pegged at 5,000 bags.

As per latest update, area sown until 06th November-20 is 16.94 lakh hectares compared to 9.72 lakh hectare in the previous Rabi season. The normal area is 305.58 lakh hectares.

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

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.

International Market Update:

Argentina's wheat harvest is seen at 16.7 million tonnes, slightly down from the previous 17 million tonne estimate due to a prolonged drought, the Rosario Grains Exchange (BCR) said.

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 Contract: NCDEX Price							Date: 13.11.2020 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
21-Nov	0	-	-	-	1773				
21-Dec	0	-	-	-	1778				
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 13th-Nov-2020

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			13-Nov-20	12-Nov-20	
Delhi	Lawrence Road	Mill Delivery	1875	1870	5
	Narella	Mill Quality Loose	1760	1725	35
	Nazafgarh	Mill Quality Loose	1680	1680	Unch
Gujarat	Rajkot	Mill Delivery	Closed	1675	-
	Ahmedabad	Mill Delivery	Closed	1780	-
	Surat	Mill Delivery	Closed	1840	-
	Dhrol	Mill Quality Loose	NA	NA	-
M.P.	Indore	Mill Delivery	Closed	Closed	-
	Bhopal	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality Loose	Closed	1585	-
		Mill Delivery	Closed	1680	-
U.P.	Kanpur	Mill Delivery	Closed	Closed	-
	Mathura	Mill Quality Loose	1640	1640	Unch
	Kosi	Mill Quality Loose	1700	1620	80
	Hathras	Mill Quality Loose	1620	1630	-10
	Aligarh	Mill Quality Loose	1625	1625	Unch
Punjab	Khanna	Mill Quality Loose	Closed	Closed	-
	Ludhiana (Jagraon)	Mill Delivery	Closed	Closed	-
Haryana	Sirsa	Mill Delivery loose	1750	1750	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1700	1720	-20
	Karnal	Mill Delivery	NA	NA	-

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

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			13-Nov-20	12-Nov-20	
Gujarat	Rajkot	Lokwan	Closed	1825	-
M.P.	Indore	Lokwan	Closed	Closed	-
	Bhopal	Lokwan	Closed	Closed	-
	Bina	Sarbati 306	Closed	Closed	-
Rajasthan	Kota	Lokwan Bilty	Closed	1900	-
	Baran	Lokwan	Closed	Closed	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			13-Nov-20	12-Nov-20	
Delhi	Lawrence Road	Mill Delivery	5000	4000	1000
	Narella	Mill Quality Loose	300	600	-300
	Nazafgarh	Mill Quality Loose	50	100	-50
Gujarat	Rajkot	Mill Quality Loose	Closed	600	-
	Dhrol	Mill Quality Loose	NA	NA	-
M.P.	Indore	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality	Closed	5000	-
U.P.	Kanpur	Mill Quality Loose	Closed	Closed	-
	Mathura	Mill Quality Loose	50	200	-150
	Kosi	Mill Quality Loose	145	300	-155
	Hathras	Mill Quality Loose	100	100	Unch
	Aligarh	Mill Quality Loose	100	200	-100
Punjab	Khanna	Mill Quality Loose	Closed	Closed	-
	(Ludhiana)Jagraon	Mill Quality Loose	Closed	Closed	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	50	40	10
	Bhiwani	Mill Quality Loose	200	300	-100
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	13-Nov-20	12-Nov-20	Change
Atta (50kg) Ordinary	1080	1080	Unch
Maida Grade 1 (50KG)	NA	NA	-
Suji (50kg)	1335	1335	Unch
Chokar (50 kg)	NA	NA	-
Chokar (34 kg)	NA	NA	-
Chakki Atta (50kg)	1090	1090	Unch
Chakki Atta (50kg) Special	NA	NA	-
Chakki Atta (90kg) Superfine	NA	NA	-
Chakki Atta (50kg) Superfine	NA	NA	-

Wheat (CBOT) Future Price: 12.11.2020					
Contract Month	Open	High	Low	Close	Change
Dec-20	596.25	598.75	587.00	588.25	-9.75↓
Mar-21	604.75	606.75	596.00	597.25	-8.75↓
May-21	607.25	608.50	599.00	600.25	-8.25↓
Jul-21	602.75	604.25	596.25	597.75	-7.00↓
Sep-21	605.50	607.00	599.50	600.50	-6.75↓
Dec-21	613.25	620.00	607.25	608.25	-7.00↓

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