

Wheat Domestic Fundamentals:

Prices of mill-quality Wheat in Indore and Jaipur were steady today as weak demand from bulk buyers offset a fall in supply. In Indore, arrivals were pegged at 4,000 bags (1 bag = 100 kg), against 5,000 bags on Wednesday. Arrivals in Jaipur were pegged at 3,000 bags, compared with 5,000 bags on Wednesday. Wheat arrivals are likely to fall further as supply is drying up in the lean season.

According to Government, Wheat stored in the Punjab and Haryana needs to shift out to make space for rice. These two states particularly have huge wheat stocks, and all of them cannot be moved out to the existing CAP (covered and plinth). So we are planning to ask some states to create more storage space, "It has become necessary for the Centre to move the Wheat as FCI has a high surplus of Wheat in the central pool. As of Oct 1, the government's Wheat stocks were at 43.70 MMT.

As per latest update, area sown until 13th November-20 is 50.01 lakh hectares compared to 39.55 lakh hectare in the same period of previous year Rabi season. Which is higher by 16.5%. The normal area is 303.28 lakh hectares.

As per trade source, India has Import around 6380 MT in the month of October-2020 after March-2020. The quantity in October-2020 was imported at an average FOB of \$ 304.90 per tonnes.

According to traders, Prices of mill-quality Wheat in the Indore rose due to a fall in supply, traders said. Arrivals were pegged at 5,000 bags (1 bag = 100 kg), against 7,000 bags on Tuesday. A rise in bulk demand from millers also supported prices. In Jaipur, too, wheat prices fell due to a decline in arrivals, traders said. Arrivals were pegged at 5,000 bags, compared with 6,000 bags on Tuesday. Wheat arrivals are likely to fall further as supply is drying up in the lean season. Prices are, however, unlikely to rise in the coming days as bulk demand may decline.

Light to moderate rainfall in several districts of Haryana has delayed the wheat-sowing operations in the state. However, the rain has delayed the wheat sowing as it will take farmers about a week to prepare the fields for sowing. According to ICAR, "There is no significant impact of the rain on crops, but it has delayed the further sowing, but it is good for wheat that was sown earlier this month and has already germinated.

"A day after Diwali, rain lashed parts of Punjab, Chandigarh, Delhi, Haryana, and Uttar Pradesh. Several areas witnessed shower and thunderstorm due to a western disturbance. Parts of Punjab and Haryana also witnessed a hailstorm leading to a fall in temperature. Light rains and thundershowers in Punjab parts have brought cheers to the farmers—especially the wheat growers, who had sown their crops without burning the paddy straw. Apart from this, it is also beneficial for those preparing to sow wheat, and other rabi crops, including fodder for animals.

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.

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

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

Wheat Futures Contract: NCDEX Price							Date: 19.11.2020 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
21-Nov	0	-	-	-	1772				
21-Dec	0	-	-	-	1777				
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 20th-Nov-2020

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			20-Nov-20	19-Nov-20	
Delhi	Lawrence Road	Mill Delivery	1870	1865	5
	Narella	Mill Quality Loose	1755	1740	15
	Nazafgarh	Mill Quality Loose	1750	1720	30
Gujarat	Rajkot	Mill Delivery	1700	1670	30
	Ahmedabad	Mill Delivery	1795	1770	25
	Surat	Mill Delivery	1850	1830	20
	Dhrol	Mill Quality Loose	1590	1600	-10
M.P.	Indore	Mill Delivery	1740	1735	5
	Bhopal	Mill Quality Loose	1550	1550	Unch
Rajasthan	Kota	Mill Quality Loose	1630	1625	5
		Mill Delivery	1720	1750	-30
U.P.	Kanpur	Mill Delivery	1720	1730	-10
	Mathura	Mill Quality Loose	1670	1655	15
	Kosi	Mill Quality Loose	1700	1700	Unch
	Hathras	Mill Quality Loose	1650	1650	Unch
	Aligarh	Mill Quality Loose	1650	1650	Unch
Punjab	Khanna	Mill Quality Loose	1630	1630	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1750	1750	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1740	1740	Unch
	Karnal	Mill Delivery	NA	NA	-

	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2000	2000	Unch
	Madurai	Mill Quality	2057	2057	Unch
	Coimbatore	Mill Quality	2057	2057	Unch
Bihar	Khagariya	Mill Delivery	Closed	Closed	-
	Muzaffarpur	Mill Delivery	Closed	Closed	-
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			20-Nov-20	19-Nov-20	
Gujarat	Rajkot	Lokwan	1850	1800	50
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1800	2000	-200
	Bina	Sarbati 306	2400	2400	Unch
Rajasthan	Kota	Lokwan Bilty	1850	1900	-50
	Baran	Lokwan	NA	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			20-Nov-20	19-Nov-20	
Delhi	Lawrence Road	Mill Delivery	8500	11000	-2500
	Narella	Mill Quality Loose	450	1000	-550
	Nazafgarh	Mill Quality Loose	50	500	-450
Gujarat	Rajkot	Mill Quality Loose	1400	500	900
	Dhrol	Mill Quality Loose	17	51	-34
M.P.	Indore	Mill Quality Loose	3500	3000	500
Rajasthan	Kota	Mill Quality	5000	6000	-1000
U.P.	Kanpur	Mill Quality Loose	1200	800	400
	Mathura	Mill Quality Loose	330	340	-10
	Kosi	Mill Quality Loose	200	250	-50
	Hathras	Mill Quality Loose	100	200	-100
	Aligarh	Mill Quality Loose	200	400	-200
Punjab	Khanna	Mill Quality Loose	400	200	200
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	50	40	10
	Bhiwani	Mill Quality Loose	600	400	200
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	20-Nov-20	19-Nov-20	Change
Atta (50kg) Ordinary	1070	1070	Unch
Maida Grade 1 (50KG)	NA	NA	-
Suji (50kg)	1325	1325	Unch
Chokar (50 kg)	NA	NA	-
Chokar (34 kg)	NA	NA	-
Chakki Atta (50kg)	1080	1080	Unch
Chakki Atta (50kg) Special	NA	NA	-
Chakki Atta (90kg) Superfine	NA	NA	-
Chakki Atta (50kg) Superfine	NA	NA	-

Wheat (CBOT) Future Price: 19.11.2020					
Contract Month	Open	High	Low	Close	Change
Dec-20	598.75	600.25	589.75	591.75	-6.00↓
Mar-21	606.75	608.25	597.00	598.75	-7.75↓
May-21	609.25	611.00	600.25	602.25	-7.50↓
Jul-21	605.00	606.00	598.00	600.00	-5.25↓
Sep-21	607.00	608.00	600.75	602.75	-4.75↓
Dec-21	614.25	614.50	608.00	610.00	-4.75↓

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