

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.

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:

Zimbabwe expects to harvest 190 000 MT of wheat, the highest in the ten years, as the Govt. seeks to reduce its import bill. However, they would still import wheat as the local crop cannot make quality bread due to the conditions in which the cereal is grown and is suitable only for making biscuits.

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 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: 21.11.2020 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
21-Nov	0	-	-	-	1763				
21-Dec	0	-	-	-	1780				
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 21st-Nov-2020

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			21-Nov-20	20-Nov-20	
Delhi	Lawrence Road	Mill Delivery	1870	1870	Unch
	Narella	Mill Quality Loose	1755	1755	Unch
	Nazafgarh	Mill Quality Loose	1750	1750	Unch
Gujarat	Rajkot	Mill Delivery	1700	1700	Unch
	Ahmedabad	Mill Delivery	1800	1795	5
	Surat	Mill Delivery	1860	1850	10
	Dhrol	Mill Quality Loose	1655	1590	65
M.P.	Indore	Mill Delivery	1740	1740	Unch
	Bhopal	Mill Quality Loose	1550	1550	Unch
Rajasthan	Kota	Mill Quality Loose	1650	1630	20
		Mill Delivery	1740	1720	20
U.P.	Kanpur	Mill Delivery	1740	1720	20
	Mathura	Mill Quality Loose	1660	1670	-10
	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	1725	1740	-15
	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
			21-Nov-20	20-Nov-20	
Gujarat	Rajkot	Lokwan	1850	1850	Unch
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	1800	1800	Unch
	Bina	Sarbati 306	2400	2400	Unch
Rajasthan	Kota	Lokwan Bilty	1875	1850	25
	Baran	Lokwan	NA	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			21-Nov-20	20-Nov-20	
Delhi	Lawrence Road	Mill Delivery	7500	8500	-1000
	Narella	Mill Quality Loose	350	450	-100
	Nazafgarh	Mill Quality Loose	30	50	-20
Gujarat	Rajkot	Mill Quality Loose	1600	1400	200
	Dhrol	Mill Quality Loose	139	17	122
M.P.	Indore	Mill Quality Loose	3500	3500	Unch
Rajasthan	Kota	Mill Quality	3000	5000	-2000
U.P.	Kanpur	Mill Quality Loose	900	1200	-300
	Mathura	Mill Quality Loose	350	330	20
	Kosi	Mill Quality Loose	250	200	50
	Hathras	Mill Quality Loose	100	100	Unch
	Aligarh	Mill Quality Loose	300	200	100
Punjab	Khanna	Mill Quality Loose	400	400	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	50	50	Unch
	Bhiwani	Mill Quality Loose	500	600	-100
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	21-Nov-20	20-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: 20.11.2020					
Contract Month	Open	High	Low	Close	Change
Dec-20	201120	590.00	598.25	590.00	593.25
Mar-21	201120	597.00	604.75	596.75	599.50
May-21	201120	602.00	607.75	600.25	602.25
Jul-21	201120	597.25	603.50	596.75	598.25
Sep-21	201120	600.25	605.75	599.25	600.50
Dec-21	201120	608.50	612.25	606.50	607.75

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