

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.

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.

Gene-edited wheat is to be grown in Argentina, as the country becomes the first in the world to give the green light on the use of the drought-resistant crop. The new generation of wheat is known as BIOX.BA HB4 and was developed by Trigall Genetics in partnership with Bioceres BIOX. A and France's Florimond Desprez. In infield trials conducted over the past ten years, the seed varieties showed an average increased crop yield of 20 percent during growing seasons affected by droughts.

Wheat Futures Contract: NCDEX Price							Date: 23.11.2020 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
20-Dec	NA	-	-	-	1780				
21-Jan	NA	-	-	-	2249				
21-Feb	NA	-	-	-	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 23rd-Nov-2020

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			23-Nov-20	21-Nov-20	
Delhi	Lawrence Road	Mill Delivery	1860	1870	-10
	Narella	Mill Quality Loose	1745	1755	-10
	Nazafgarh	Mill Quality Loose	1740	1750	-10
Gujarat	Rajkot	Mill Delivery	1725	1700	25
	Ahmedabad	Mill Delivery	1800	1800	Unch
	Surat	Mill Delivery	1860	1860	Unch
	Dhrol	Mill Quality Loose	NA	1655	-
M.P.	Indore	Mill Delivery	1740	1740	Unch
	Bhopal	Mill Quality Loose	1600	1550	50
Rajasthan	Kota	Mill Quality Loose	1630	1650	-20
		Mill Delivery	1715	1740	-25
U.P.	Kanpur	Mill Delivery	1730	1740	-10
	Mathura	Mill Quality Loose	1640	1660	-20
	Kosi	Mill Quality Loose	1680	1700	-20
	Hathras	Mill Quality Loose	1625	1650	-25
	Aligarh	Mill Quality Loose	1600	1650	-50
Punjab	Khanna	Mill Quality Loose	1610	1630	-20
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1750	1750	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1725	1725	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	2100	Closed	-
	Muzaffarpur	Mill Delivery	1700	Closed	-
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			23-Nov-20	21-Nov-20	
Gujarat	Rajkot	Lokwan	1850	1850	Unch
M.P.	Indore	Lokwan	1900	2000	-100
	Bhopal	Lokwan	1825	1800	25
	Bina	Sarbati 306	2400	2400	Unch
Rajasthan	Kota	Lokwan Bilty	1840	1875	-35
	Baran	Lokwan	NA	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			23-Nov-20	21-Nov-20	
Delhi	Lawrence Road	Mill Delivery	5000	7500	-2500
	Narella	Mill Quality Loose	300	350	-50
	Nazafgarh	Mill Quality Loose	30	30	Unch
Gujarat	Rajkot	Mill Quality Loose	2000	1600	400
	Dhrol	Mill Quality Loose	NA	139	-
M.P.	Indore	Mill Quality Loose	3000	3500	-500
Rajasthan	Kota	Mill Quality	6000	3000	3000
U.P.	Kanpur	Mill Quality Loose	1300	900	400
	Mathura	Mill Quality Loose	600	350	250
	Kosi	Mill Quality Loose	600	250	350
	Hathras	Mill Quality Loose	100	100	Unch
	Aligarh	Mill Quality Loose	500	300	200
Punjab	Khanna	Mill Quality Loose	600	400	200
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	400	200	200
	Hodal	Mill Quality Loose	80	50	30
	Bhiwani	Mill Quality Loose	500	500	Unch
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	23-Nov-20	21-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	590.00	598.25	590.00	593.25	+1.50↑
Mar-21	597.00	604.75	596.75	599.50	+0.75↑
May-21	602.00	607.75	600.25	602.25	unch
Jul-21	597.25	603.50	596.75	598.25	-1.75↓
Sep-21	600.25	605.75	599.25	600.50	-2.25↓
Dec-21	608.50	612.25	606.50	607.75	-2.25↓

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