

Wheat Domestic Fundamentals:

Wheat farmers in Punjab are in a bad need of urea. The first application of urea was given to the wheat crop in mid November to ensure high yield still the supply has not been made. The farmers are in urgent need of urea for their crop as further delay will result in 15% decline in wheat yield. Farmers have been forced to purchase urea at higher rates from Haryana and Rajasthan.

According to traders, Wheat prices rose in Indore as supply declined. Arrivals will gradually dry up as most stockists have already offloaded in bulk before Diwali, said traders. Arrivals of wheat were pegged at 5,000 bags (1 bag = 100 kg), as against 6,000 bags the previous day. Prices of the food grain also rose in Jaipur because of lower arrivals, traders said. Arrivals were estimated at 2,000 bags, down from 3,000 bags on Saturday.

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: 25.11.2020 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 25.11.2020

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			25-Nov-20	24-Nov-20	
Delhi	Lawrence Road	Mill Delivery	1830	1825	5
	Narella	Mill Quality Loose	Closed	1760	-
	Nazafgarh	Mill Quality Loose	Closed	1740	-
Gujarat	Rajkot	Mill Delivery	1690	1710	-20
	Ahmedabad	Mill Delivery	1760	1780	-20
	Surat	Mill Delivery	1825	1840	-15
	Dhrol	Mill Quality Loose	1625	NA	-
M.P.	Indore	Mill Delivery	1750	1760	-10
	Bhopal	Mill Quality Loose	1600	1600	Unch
Rajasthan	Kota	Mill Quality Loose	1580	1650	-70
		Mill Delivery	1700	1775	-75
U.P.	Kanpur	Mill Delivery	1800	1750	50
	Mathura	Mill Quality Loose	1660	1680	-20
	Kosi	Mill Quality Loose	1680	1680	Unch
	Hathras	Mill Quality Loose	1600	1625	-25
	Aligarh	Mill Quality Loose	Closed	1600	-
Punjab	Khanna	Mill Quality Loose	1700	1620	80
	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	2100	2100	Unch
	Muzaffarpur	Mill Delivery	1725	1700	25
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			25-Nov-20	24-Nov-20	
Gujarat	Rajkot	Lokwan	1850	1850	Unch
M.P.	Indore	Lokwan	1900	1900	Unch
	Bhopal	Lokwan	1825	1825	Unch
	Bina	Sarbati 306	Closed	2400	-
Rajasthan	Kota	Lokwan Bilty	1850	1850	Unch

	Baran	Lokwan	NA	NA	-
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Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			25-Nov-20	24-Nov-20	
Delhi	Lawrence Road	Mill Delivery	7000	8000	-1000
	Narella	Mill Quality Loose	Closed	400	-
	Nazafgarh	Mill Quality Loose	Closed	100	-
Gujarat	Rajkot	Mill Quality Loose	1400	1400	Unch
	Dhrol	Mill Quality Loose	103	NA	-
M.P.	Indore	Mill Quality Loose	4000	4000	Unch
Rajasthan	Kota	Mill Quality	10000	8000	2000
U.P.	Kanpur	Mill Quality Loose	500	1000	-500
	Mathura	Mill Quality Loose	340	300	40
	Kosi	Mill Quality Loose	200	220	-20
	Hathras	Mill Quality Loose	300	100	200
	Aligarh	Mill Quality Loose	Closed	500	-
Punjab	Khanna	Mill Quality Loose	300	500	-200
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	400	-200
	Hodal	Mill Quality Loose	60	100	-40
	Bhiwani	Mill Quality Loose	400	200	200
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	25-Nov-20	24-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: 24.11.2020

Contract Month	Open	High	Low	Close	Change
Dec-20	612.75	616.50	587.00	588.25	-23.00
Mar-21	619.00	622.75	595.25	596.50	-21.00
May-21	620.25	623.25	598.25	599.75	-19.00

Jul-21	612.00	615.00	595.25	597.00	-15.00
Sep-21	614.25	616.25	597.75	599.50	-14.25
Dec-21	621.75	622.50	605.25	606.75	-13.50

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