

Wheat Domestic Fundamentals:

The Wheat market saw a deep impact of the rumor, according to which the Central Government has extended the period of free grain distribution till March 2021 under the Public Distribution System (PDFS), which leads price down on Wednesday. Similarly, the scheme is coming to an end in November 2020 and still, there's no official confirmation from the government so far.

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:

Brazil has extended a tariff-free quota for wheat imported from outside the Mercosur trade bloc for another year, leaving the door open to other grain exporters as forecasts for this year's crop in neighboring Argentina continue to be revised lower.

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.

Wheat Futures Contract: NCDEX Price							Date: 26.11.2020 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
20-Dec	NA	-	-	-	1767				
21-Jan	NA	-	-	-	2249				
21-Feb	NA	-	-	-	2206				

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 26th-Nov-2020

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			26-Nov-20	25-Nov-20	
Delhi	Lawrence Road	Mill Delivery	1835	1830	5
	Narella	Mill Quality Loose	1740	Closed	-
	Nazafgarh	Mill Quality Loose	1745	Closed	-
Gujarat	Rajkot	Mill Delivery	1680	1690	-10
	Ahmedabad	Mill Delivery	1730	1760	-30
	Surat	Mill Delivery	1780	1825	-45
	Dhrol	Mill Quality Loose	1585	1625	-40
M.P.	Indore	Mill Delivery	1735	1750	-15
	Bhopal	Mill Quality Loose	1600	1600	Unch
Rajasthan	Kota	Mill Quality Loose	1600	1580	20
		Mill Delivery	1725	1700	25
U.P.	Kanpur	Mill Delivery	1790	1800	-10
	Mathura	Mill Quality Loose	1665	1660	5
	Kosi	Mill Quality Loose	1690	1680	10
	Hathras	Mill Quality Loose	1600	1600	Unch
	Aligarh	Mill Quality Loose	1640	Closed	-
Punjab	Khanna	Mill Quality Loose	1700	1700	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1750	1750	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1760	1740	20
	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	1725	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

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

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			26-Nov-20	25-Nov-20	
Delhi	Lawrence Road	Mill Delivery	5000	7000	-2000
	Narella	Mill Quality Loose	300	Closed	-
	Nazafgarh	Mill Quality Loose	150	Closed	-
Gujarat	Rajkot	Mill Quality Loose	2200	1400	800
	Dhrol	Mill Quality Loose	150	103	47
M.P.	Indore	Mill Quality Loose	3000	4000	-1000
Rajasthan	Kota	Mill Quality	5000	10000	-5000
U.P.	Kanpur	Mill Quality Loose	800	500	300
	Mathura	Mill Quality Loose	320	340	-20
	Kosi	Mill Quality Loose	250	200	50
	Hathras	Mill Quality Loose	300	300	Unch
	Aligarh	Mill Quality Loose	250	Closed	-
Punjab	Khanna	Mill Quality Loose	400	300	100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	60	60	Unch
	Bhiwani	Mill Quality Loose	700	400	300
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	26-Nov-20	25-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: 26.11.2020					
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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