

**Wheat Domestic Fundamentals:**

**In Indore, Madhya Pradesh, mill-quality Wheat prices rose, despite weak demand from bulk buyers** such as stockists and restaurants, because of a fall in supply, traders said. Arrivals were pegged at 4,000 bags (1 bag = 100 kg), down from 6,000 bags on Saturday. In Jaipur, Rajasthan, prices rose because of low supply, traders said. Arrivals were pegged at 1,000 bags against 1,200 bags on Saturday. Due to High export, the Wheat market is bullish as retail demand increases in physical markets as the government's PMGKAY scheme for free food of public distribution system ended in November 30, which is unlikely to continue further.

**Indian traders have signed two deals to export around 200,000 tonnes of wheat to Bangladesh.** According to market sources, The traders are exporting wheat at \$210-\$220 per tonnes, FOB, and \$250-\$260 per tonnes, free on board, under the two deals in the coming few weeks. The export price of Indian wheat has been falling as domestic prices have weakened over the past few months.

**On Friday, the government said the progress of rabi (winter) crop sowing** had been "satisfactory" so far, notwithstanding the COVID-19 challenges as total acreage increased by 4.02 percent to Rs 348.24 lakh hectare from 334.78 lakh hectare in the year-ago period. The area sown to wheat, the main winter crop, has increased marginally to 151.58 lakh hectare till November 27 of the rabi season in 2020-21 crop year (July-June), as against 150.49 lakh hectare a year ago.

**Over 46 lakh hectares of wheat sowing have been complete in Madhya Pradesh** after favorable conditions for the state's rabi crops. This year, the target for sowing rabi crops has been increasing by about 2 lakh hectares. The agriculture minister said sowing of wheat was completed in 46.74 lakh hectares area till November 23, almost 10 lakh hectare more than last year when the farmers could complete wheat sowing only in 37.27 lakh hectares of land.

**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.

**International Market Update:**

**Ukraine has exported 21.08 million tonnes of grain so far in the season,** which runs from July 2020 to June 2021, the economy ministry said on Friday. That is 11.3% lower than exports for the same period of the previous season because of lower corn and wheat sales amid a weaker harvest. Exports of wheat have declined to 11.83 million tonnes from 13.15 million tonnes.

**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.

Wheat Futures Contract: NCDEX Price							Date: 03.12.2020 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
20-Dec	NA	-	-	-	1751				
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 02<sup>nd</sup>-Dec-2020

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			3-Dec-20	2-Dec-20	
Delhi	Lawrence Road	Mill Delivery	1820	1840	-20
	Narella	Mill Quality Loose	1725	Closed	-
	Nazafgarh	Mill Quality Loose	1700	Closed	-
Gujarat	Rajkot	Mill Delivery	1665	1660	5
	Ahmedabad	Mill Delivery	1725	1725	Unch
	Surat	Mill Delivery	1780	1775	5
	Dhrol	Mill Quality Loose	NA	NA	-
M.P.	Indore	Mill Delivery	1735	1625	110
	Bhopal	Mill Quality Loose	1580	1600	-20
Rajasthan	Kota	Mill Quality Loose	1550	1600	-50
		Mill Delivery	1675	1725	-50
U.P.	Kanpur	Mill Delivery	1600	1600	Unch
	Mathura	Mill Quality Loose	1575	1600	-25
	Kosi	Mill Quality Loose	1600	1600	Unch
	Hathras	Mill Quality Loose	1590	1600	-10
	Aligarh	Mill Quality Loose	1580	Closed	-
Punjab	Khanna	Mill Quality Loose	1650	1650	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1750	1750	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1720	1730	-10
	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	1900	1900	Unch
	Muzaffarpur	Mill Delivery	1625	1700	-75
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			3-Dec-20	2-Dec-20	
Gujarat	Rajkot	Lokwan	1800	1800	Unch
M.P.	Indore	Lokwan	2000	1900	100
	Bhopal	Lokwan	2000	2000	Unch
	Bina	Sarbati 306	2400	Closed	-
Rajasthan	Kota	Lokwan Bilty	1925	1925	Unch
	Baran	Lokwan	NA	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			3-Dec-20	2-Dec-20	
Delhi	Lawrence Road	Mill Delivery	9000	8000	1000
	Narella	Mill Quality Loose	400	Closed	-
	Nazafgarh	Mill Quality Loose	200	Closed	-
Gujarat	Rajkot	Mill Quality Loose	1700	1200	500
	Dhrol	Mill Quality Loose	NA	NA	-
M.P.	Indore	Mill Quality Loose	3000	3000	Unch
Rajasthan	Kota	Mill Quality	8000	8000	Unch
U.P.	Kanpur	Mill Quality Loose	700	1000	-300
	Mathura	Mill Quality Loose	200	200	Unch
	Kosi	Mill Quality Loose	100	100	Unch
	Hathras	Mill Quality Loose	300	200	100
	Aligarh	Mill Quality Loose	500	Closed	-
Punjab	Khanna	Mill Quality Loose	500	400	100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	20	50	-30
	Bhiwani	Mill Quality Loose	400	500	-100
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	3-Dec-20	2-Dec-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: 02.12.2020					
Contract Month	Open	High	Low	Close	Change
<b>Dec-20</b>	565.50	578.75	565.50	578.00	+12.50↑
<b>Mar-21</b>	578.25	592.50	574.75	588.50	+11.25↑
<b>May-21</b>	581.75	595.25	579.00	591.25	+10.00↑
<b>Jul-21</b>	582.00	593.00	579.00	590.00	+9.00↑
<b>Sep-21</b>	585.00	595.75	582.25	593.50	+9.00↑
<b>Dec-21</b>	592.25	603.25	590.25	601.75	+9.50↑

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2020 Indian Agribusiness Systems Ltd.