

**Wheat Domestic Fundamentals:**

**With the farmers protesting at the Delhi/NCR borders against the three new farm laws**, wheat cultivation back home in their States of Punjab, Haryana, and Rajasthan has taken a hit in the current rabi season. States like Madhya Pradesh and Maharashtra, from where not many farmers have participated in the protests, have sown more wheat or rabi crops this year.

**As per latest update, area sown to wheat, has increased marginally by 2.53% to 254.73 lakh hectares** so far in the ongoing 2020-21 rabi season from 248.44 lakh hectares in the year-ago period. The overall trend of rabi sowing progress is excellent with increased area coverage has been recorded.

**According to traders, Wheat prices declined in Indore today** as demand from bulk buyers remained weak amid steady arrivals, traders said. Arrivals were pegged steady at 4,000 bags (1 bag = 100 kg). In Jaipur, wheat prices softened as bulk demand further weakened, the traders said. Arrivals were pegged steady at 1,000 bags. However, the outlook is bullish as retail demand from end consumers is likely to pick up as the government's scheme to provide free foodgrain to beneficiaries of the public distribution system ended in November.

**The government has asked the three key wheat-procuring states to create 8 MMT temporary 'covered, and plinth' storage, one of the officials said. Punjab has been asked to add 4.0 million tonnes of space**, while Haryana and Uttar Pradesh will add 3.0 million tonnes and 1.0 million tonnes, respectively. Looking at the storage space in Punjab and Haryana, it is necessary to get more space before we run out of capacity as these two states are major contributors of both rice and wheat to the central pool," an official said.

**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.

**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 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 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:**

**US wheat futures edged higher on Tuesday, as prices rebounded from a 3% decline** marked in the previous session, amid expectations of stronger demand for US supplies after leading exporter Russia moved to limit exports.

**World wheat prices remained firm this month, mostly due to dry weather impacting** the start of the growing season in the Northern Hemisphere and unfavorable production conditions in Argentina. Strong global export demand drove further price spikes in Canada, European Union, Russia, and the United States, demonstrated by robust export sales reports this month. Concerns about the rise in COVID-19 infections worldwide and recent rains in Russia and the U.S. Plains softened price increases more recently.

**Australian numbers updates from local analysts** wheat crop expectations rise to 35 MMT. Australia in October 2020 exported only 367.6 thousand MT of Wheat, which is 17% less than in September and the worst October export since

Wheat Futures Contract: NCDEX Price							Date: 15.12.2020 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
20-Dec	NA	-	-	-	1733				
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 15<sup>th</sup>-Dec-2020**

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			15-Dec-20	14-Dec-20	
Delhi	Lawrence Road	Mill Delivery	1820	1815	5
	Narella	Mill Quality Loose	1720	1680	40
	Nazafgarh	Mill Quality Loose	1710	1670	40
Gujarat	Rajkot	Mill Delivery	1675	1675	Unch
	Ahmedabad	Mill Delivery	1750	1750	Unch
	Surat	Mill Delivery	1800	1800	Unch
	Dhrol	Mill Quality Loose	NR	1550	-
M.P.	Indore	Mill Delivery	1620	Closed	-
	Bhopal	Mill Quality Loose	1500	Closed	-
Rajasthan	Kota	Mill Quality Loose	1580	Closed	-
		Mill Delivery	1700	Closed	-
U.P.	Kanpur	Mill Delivery	1640	1650	-10
	Mathura	Mill Quality Loose	1620	1590	30
	Kosi	Mill Quality Loose	1600	1610	-10
	Hathras	Mill Quality Loose	1585	1600	-15
	Aligarh	Mill Quality Loose	1610	1650	-40
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	1740	-20
	Karnal	Mill Delivery	NA	NA	-

	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1950	Closed	-
	Madurai	Mill Quality	2007	Closed	-
	Coimbatore	Mill Quality	2007	Closed	-
Bihar	Khagariya	Mill Delivery	1850	1850	Unch
	Muzaffarpur	Mill Delivery	1700	1700	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			15-Dec-20	14-Dec-20	
Gujarat	Rajkot	Lokwan	1800	1800	Unch
M.P.	Indore	Lokwan	2100	Closed	-
	Bhopal	Lokwan	1800	Closed	-
	Bina	Sarbati 306	2400	Closed	-
Rajasthan	Kota	Lokwan Bilty	1950	Closed	-
	Baran	Lokwan	NA	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			15-Dec-20	14-Dec-20	
Delhi	Lawrence Road	Mill Delivery	8000	5000	3000
	Narella	Mill Quality Loose	200	300	-100
	Nazafgarh	Mill Quality Loose	100	100	Unch
Gujarat	Rajkot	Mill Quality Loose	800	1000	-200
	Dhrol	Mill Quality Loose	NR	165	-
M.P.	Indore	Mill Quality Loose	2000	Closed	-
Rajasthan	Kota	Mill Quality	8000	Closed	-
U.P.	Kanpur	Mill Quality Loose	500	700	-200
	Mathura	Mill Quality Loose	500	300	200
	Kosi	Mill Quality Loose	100	100	Unch
	Hathras	Mill Quality Loose	150	50	100
	Aligarh	Mill Quality Loose	400	200	200
Punjab	Khanna	Mill Quality Loose	500	500	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	300	200	100
	Hodal	Mill Quality Loose	150	70	80
	Bhiwani	Mill Quality Loose	300	400	-100
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	15-Dec-20	14-Dec-20	Change
Atta (50kg) Ordinary	1040	1040	Unch
Maida Grade 1 (50KG)	NA	NA	-
Suji (50kg)	1295	1295	Unch
Chokar (50 kg)	NA	NA	-
Chokar (34 kg)	NA	NA	-
Chakki Atta (50kg)	1050	1050	Unch
Chakki Atta (50kg) Special	NA	NA	-
Chakki Atta (90kg) Superfine	NA	NA	-
Chakki Atta (50kg) Superfine	NA	NA	-

Wheat (CBOT) Future Price: 14.12.2020					
Contract Month	Open	High	Low	Close	Change
<b>Dec-20</b>	615.50	615.50	593.50	593.50	-14.75↓
<b>Mar-21</b>	618.00	622.00	595.75	596.50	-18.00↓
<b>May-21</b>	617.75	620.25	597.50	598.50	-15.50↓
<b>Jul-21</b>	610.00	612.25	592.75	594.50	-13.00↓
<b>Sep-21</b>	611.50	613.75	595.50	596.75	-12.75↓
<b>Dec-21</b>	615.75	619.50	602.50	604.00	-11.50↓

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