

Wheat Domestic Fundamentals:

The cold wave, accompanied by intense fog and drizzling, in the past couple of days across the state has brought cheer to farmers as the present weather conditions, as per the scientists of Indian Institute of Wheat and Barley (IIWBR), are beneficial for the wheat crop. The scientists opine that it would increase the prospects of bumper wheat output in this rabi season if the conditions persist in the coming days also.

The export parity of wheat is close to Rs. 1800 recently, and if the dollar stays stable, then the parity in exports will be good. Export trade is being made at a rate of \$255 to \$265 per ton. In November-December, at the port of Gujarat, about five ships, including 1.25 lakh tonnes and other containers have been traded. In all, more than 1.50 lakh tonnes are estimate to be export. There has been good trade-in wheat for January as well, and three ships have traded only around 90 thousand tonnes, due to which such export is expected to be in the current condition.

As per the latest update, the area under wheat has increased marginally by 3.63% to 325.35 lakh hectares so far in the ongoing 2020-21 Rabi season from 313.95 lakh hectares in the year-ago same period. The overall trend of Rabi sowing progress is excellent, with increased area coverage recorded due to favourable weather. Lesser area reported in states like Punjab, Rajasthan, Uttar Pradesh and Karnataka.

As per trade source, Wheat prices fell in Indore due to a rise in arrivals and weak demand, traders said. Arrivals were pegged at 5,000 bags (1 bag = 100 kg), up from 4,000 bags on Thursday. Wheat prices in Jaipur, too, declined as arrivals rose, traders said. Arrivals were pegged at 2,000 bags, against 1,700 bags on Thursday. However, the outlook is bullish as bulk demand is expected to pick up due to rising exports and a recovery in the economy, which might lead to more restaurants opening up in the coming days, traders said.

All India's weekly average prices decreased by 0.67 percent to Rs. 1833.98 per quintal during the week ended 31st Dec 2020. Wheat average prices were ruling at Rs 2228.91 per quintal during 24th – 31st Dec 2019. The wheat prices are unlikely to drop and is going to be stable in coming weeks due to ample availability despite slowed demand from flour mills. The new wheat from Saurashtra region (Gujarat) will be coming to the mandis at the end of next month

Wheat WPI has increased from 147.4 in October -2020 to 147.9 in November-2020. Monthly wheat inflation has increased by 0.33 percent in November-2020 compared to previous month.

Indian traders are expected to export around 40,000 tonnes of wheat to Bangladesh at \$210-\$220 per tonnes FOB, market sources said. The exports may take place in a few days. More exports to Bangladesh are likely this financial year as prices of wheat in India have become more competitive in the past few months. Last month, Indian traders signed deals with their counterparts in Bangladesh to export around 200,000 tonnes of wheat. High export from India will give support to domestic price.

As per trade sources, India has exported around 1.85 lakh tonnes in the month of November-2020 at an average FOB of \$468.24 per tonnes, higher this year and the major destinations were Bangladesh, Sri Lanka, Nepal and UAE. Exports are likely to be at higher side as other countries are providing wheat at higher prices. High export will going to support the domestic market in near term.

International Market Update:

The weather is currently unfavourable in the global market. Planting in Australia has also decreased, and the weather is not supporting either. Lockdown is in force throughout Europe. Russia is implementing a tax on exports. In such a situation, the wheat crop is less in the whole world, due to which the export price of wheat is being traded at the highest level of six years since 2014.

Egypt held a tender; they were trying to catch a gap between the previous tender and Feb 15 (Russian quota and duty), but Russian sellers include the duty to prices, so became uncompetitive- Egypt bought Ukrainian and Romanian cargoes.

The Rosario Board of Trade (BCR) forecasts total Argentinian wheat production will fall 15% on the year to 16.5 MMT, the second lowest output in a decade on extreme drought. The Buenos Aires Grain Exchange (BAGE) predicts production will total 16.9 MMT and USDA pegs the 2020/21 harvest at 18.0 MMT.

FranceAgriMer, France's agriculture office, reported the country's winter wheat farmers made considerable progress last week. 66% of France's soft (non-durum) wheat is now in the ground, up from last week's 45% and in line

Wheat Futures Contact: NCDEX Price							Date: 04.01.2021 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
21-Jan	3	-	-	-	1754				
21-Feb	3	-	-	-	1759				
21-Mar	3	-	-	-	1764				

Spread	Jan-21	Feb-21	Mar-21
Spot Narella	-	-	-
20-Aug	-	0	-
20-Sep	-	-	7
20-Oct	-	-	-

Stocks	Demat	In-Process	Total	EDD
	23.Jan.21	23.Feb.21	23.Mar.21	20.Apr.21
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	-	-	-	-

Wheat Daily Prices and Arrivals on 04th Jan-2021

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			4-Jan-21	2-Jan-21	
Delhi	Lawrence Road	Mill Delivery	1900	1840	60
	Narella	Mill Quality Loose	1760	1720	40
	Nazafgarh	Mill Quality Loose	1730	1700	30
Gujarat	Rajkot	Mill Delivery	1800	1735	65
	Ahmedabad	Mill Delivery	1900	1810	90
	Surat	Mill Delivery	1940	1875	65
	Dhrol	Mill Quality Loose	1680	NA	-
M.P.	Indore	Mill Delivery	1730	1640	90
	Bhopal	Mill Quality Loose	1680	1615	65
Rajasthan	Kota	Mill Quality Loose	1700	1630	70
		Mill Delivery	1850	1770	80
U.P.	Kanpur	Mill Delivery	1670	1670	Unch
	Mathura	Mill Quality Loose	1625	1625	Unch
	Kosi	Mill Quality Loose	1630	1630	Unch
	Hathras	Mill Quality Loose	1650	1610	40
	Aligarh	Mill Quality Loose	1650	1630	20
Punjab	Khanna	Mill Quality Loose	1620	1600	20
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1750	1750	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1770	1760	10
	Karnal	Mill Delivery	NA	NA	-

	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	1980	1980	Unch
	Madurai	Mill Quality	2037	2037	Unch
	Coimbatore	Mill Quality	2037	2037	Unch
Bihar	Khagariya	Mill Delivery	1880	1880	Unch
	Muzaffarpur	Mill Delivery	1670	1670	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			4-Jan-21	2-Jan-21	
Gujarat	Rajkot	Lokwan	1875	1850	25
M.P.	Indore	Lokwan	1900	1800	100
	Bhopal	Lokwan	1900	1800	100
	Bina	Sarbati 306	2600	2500	100
Rajasthan	Kota	Lokwan Bilty	1940	1900	40
	Baran	Lokwan	NA	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			4-Jan-21	2-Jan-21	
Delhi	Lawrence Road	Mill Delivery	4500	5000	-500
	Narella	Mill Quality Loose	200	200	Unch
	Nazafgarh	Mill Quality Loose	100	100	Unch
Gujarat	Rajkot	Mill Quality Loose	1300	1000	300
	Dhrol	Mill Quality Loose	71	NA	-
M.P.	Indore	Mill Quality Loose	2000	2500	-500
Rajasthan	Kota	Mill Quality	2000	4000	-2000
U.P.	Kanpur	Mill Quality Loose	700	400	300
	Mathura	Mill Quality Loose	400	400	Unch
	Kosi	Mill Quality Loose	800	150	650
	Hathras	Mill Quality Loose	200	200	Unch
	Aligarh	Mill Quality Loose	200	300	-100
Punjab	Khanna	Mill Quality Loose	200	400	-200
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	300	200	100
	Hodal	Mill Quality Loose	20	70	-50
	Bhiwani	Mill Quality Loose	400	300	100
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	4-Jan-21	2-Jan-21	Change
Atta (50kg) Ordinary	1030	1030	Unch
Maida Grade 1 (50KG)	NA	NA	-
Suji (50kg)	1285	1285	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: 01.01.2021					
Contract Month	Open	High	Low	Close	Change
Mar-21	640.00	644.50	632.50	640.50	-0.25↓
May-21	637.50	641.50	631.50	639.50	+1.00↑
Jul-21	626.75	630.25	622.00	628.25	+1.00↑
Sep-21	628.25	632.00	624.00	630.25	+1.25↑
Dec-21	636.00	639.00	630.75	636.75	+1.00↑
Mar-22	639.75	644.25	636.50	642.50	+1.00↑

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