

**Wheat Domestic Fundamentals:**

**As per market sources, wheat stock in the central pool as of 1st December'20** stood at 367.54 lakh tonnes down by 8.79% compared to last month. This quantity is higher by around 4.56% compared to last year for the same month. The government has abundant supplies this year to tackle any unexpected rise in wheat prices by selling more quantity in the open market and through high exports.

**Prices of wheat in the mandis of major producing states** are also going up on Tuesday. With less arrival, good demand for flour mills and kitchen is boosting prices. According to traders, the selling of wheat is coming down, while bad weather in producing states is also affecting the arrivals, so the current prices are expected to improve further. In major markets across the country today, the price of wheat has gone up by 10-15 rupees per quintal. In Delhi, mill prices rose from Rs 10 to Rs 1840-1850 per quintal, while in Kota Mandi, the price of duplicate sharbati rose by Rs 75 per quintal to Rs 1725-1800 per quintal.

**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 (IIWB), 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.

**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.

Wheat Futures Contact: NCDEX Price							Date: 05.01.2021 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
21-Jan	3	-	-	-	1789				
21-Feb	3	-	-	-	1794				
21-Mar	3	-	-	-	1799				

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 05<sup>th</sup> Jan-2021

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			5-Jan-21	4-Jan-21	
Delhi	Lawrence Road	Mill Delivery	1940	1900	40
	Narella	Mill Quality Loose	1780	1760	20
	Nazafgarh	Mill Quality Loose	1760	1730	30
Gujarat	Rajkot	Mill Delivery	1810	1800	10
	Ahmedabad	Mill Delivery	1915	1900	15
	Surat	Mill Delivery	1980	1940	40
	Dhrol	Mill Quality Loose	1720	1680	40
M.P.	Indore	Mill Delivery	1825	1730	95
	Bhopal	Mill Quality Loose	1725	1680	45
Rajasthan	Kota	Mill Quality Loose	1770	1700	70
		Mill Delivery	1925	1850	75
U.P.	Kanpur	Mill Delivery	1700	1670	30
	Mathura	Mill Quality Loose	1650	1625	25
	Kosi	Mill Quality Loose	1630	1630	Unch
	Hathras	Mill Quality Loose	1700	1650	50
	Aligarh	Mill Quality Loose	1680	1650	30
Punjab	Khanna	Mill Quality Loose	1620	1620	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1750	1750	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1770	1770	Unch
	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	1900	1880	20
	Muzaffarpur	Mill Delivery	1720	1670	50
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			5-Jan-21	4-Jan-21	
Gujarat	Rajkot	Lokwan	1875	1875	Unch
M.P.	Indore	Lokwan	1950	1900	50
	Bhopal	Lokwan	1950	1900	50
	Bina	Sarbati 306	2600	2600	Unch
Rajasthan	Kota	Lokwan Bilty	2000	1940	60
	Baran	Lokwan	NA	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			5-Jan-21	4-Jan-21	
Delhi	Lawrence Road	Mill Delivery	6000	4500	1500
	Narella	Mill Quality Loose	400	200	200
	Nazafgarh	Mill Quality Loose	300	100	200
Gujarat	Rajkot	Mill Quality Loose	1200	1300	-100
	Dhrol	Mill Quality Loose	52	71	-19
M.P.	Indore	Mill Quality Loose	3000	2000	1000
Rajasthan	Kota	Mill Quality	5000	2000	3000
U.P.	Kanpur	Mill Quality Loose	500	700	-200
	Mathura	Mill Quality Loose	200	400	-200
	Kosi	Mill Quality Loose	850	800	50
	Hathras	Mill Quality Loose	200	200	Unch
	Aligarh	Mill Quality Loose	250	200	50
Punjab	Khanna	Mill Quality Loose	300	200	100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	300	300	Unch
	Hodal	Mill Quality Loose	20	20	Unch
	Bhiwani	Mill Quality Loose	200	400	-200
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	5-Jan-21	4-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: 04.01.2021					
Contract Month	Open	High	Low	Close	Change
Mar-21	605.00	613.75	597.00	599.50	-4.00↓
May-21	607.75	616.00	600.25	603.25	-3.00↓
Jul-21	607.75	617.00	602.00	605.00	-2.25↓
Sep-21	613.00	620.25	606.25	609.00	-2.50↓
Dec-21	618.50	627.00	613.50	616.50	-2.00↓
Mar-22	625.00	629.75	617.25	620.25	-1.50↓

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