

**Wheat Domestic Fundamentals:**

**As per market sources, wheat stock in the central pool as of 1st January'21** stood at 342.90 lakh tonnes down by 7.18% compared to last month. This quantity is lower by around 4.35% 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.

**There is a widespread export demand for Indian wheat recently.** By the end of January, if exports are taken into consideration, then the export of 1 million tonnes of wheat will be done this year. After March, the new season will start, then there is a possibility of exporting about 2 million tonnes of wheat, most of which is expected from Gujarat.

**As per the latest update on 07 January 2021, the area under wheat has increased marginally by 2.59%** to 335.46 lakh hectares so far in the ongoing 2020-21 Rabi season from 326.75 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.

**Prices of wheat continued to rise in the mandis of major producing states except for Delhi** on Friday. On Lawrence Road, Delhi, mill quality wheat's price decreased by Rs 15 per quintal from 1965 to Rs 1950 per quintal, while the daily arrival was 2000 bags. There is no rain in the states of North India today, but the weather is still bad. In Hyderabad, the wheat price of Rajasthan line has been increased from Rs 2140 to Rs 2150, UP line to Rs 2100 to Rs 2060 per quintal of Punjab line, and has increased by Rs 10 to 50 per quintal. The price of mill quality wheat in Bangalore today remained steady at Rs 2155 to Rs 2255 per quintal, while in Visakhapatnam, it was Rs 2150 per quintal.

**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:**

**Bangladesh's state grains buyer has issued another international tender** to purchase 50,000 tonnes of milling wheat, traders said on Monday. The deadline for submission of price offers is Jan. 25, they said. Bangladesh has issued a series of wheat tenders in past weeks. A previous tender from Bangladesh for 50,000 tonnes of wheat had closed on Jan. 4. Other tenders also for 50,000 tonnes of wheat close on Jan. 13 and Jan. 18.

**Russian wheat export prices have risen since late 2020 ahead of an upcoming wheat export tax**, analysts at the IKAR consultancy said on Monday. One of the world's largest wheat exporters, Russia aims to stabilise food prices with a grain export quota and a wheat export tax from Feb. 15 to June 30. Wheat with 12.5% protein loading from Black Sea ports for supply before mid-February was at \$275 a tonne on a free-on-board (FOB) basis at the end of last week, up \$13 from the end of 2020, IKAR said in a note.

**SovEcon has further slashed its 2020-21 Russian wheat export forecast**, which could mean rising prices. The Russian agriculture consultancy firm is now predicting 36.3 million tonnes of exports, down from its November forecast of 40.8 million tonnes. That is well below the U.S. Department of Agriculture's December estimate of 40 million tonnes. SovEcon's drastic reduction is in response to Russia's announcement that it is imposing an export tax of 25 euros (US\$30.63) per tonne on Russian wheat between February 15 and June 30. SovEcon initially thought the tax would slice exports by two to three million tonnes.

**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

Wheat Futures Contact: NCDEX Price							Date: 13.01.2021 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
21-Jan	-	-	-	-	1830				
21-Feb	-	-	-	-	1835				
21-Mar	-	-	-	-	1840				

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

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			13-Jan-21	12-Jan-21	
Delhi	Lawrence Road	Mill Delivery	1975	1985	-10
	Narella	Mill Quality Loose	Closed	1840	-
	Nazafgarh	Mill Quality Loose	Closed	1800	-
Gujarat	Rajkot	Mill Delivery	1830	1825	5
	Ahmedabad	Mill Delivery	1950	1950	Unch
	Surat	Mill Delivery	2010	2010	Unch
	Dhrol	Mill Quality Loose	1890	1835	55
M.P.	Indore	Mill Delivery	Closed	1875	-
	Bhopal	Mill Quality Loose	Closed	1725	-
Rajasthan	Kota	Mill Quality Loose	1820	1800	20
		Mill Delivery	1950	1930	20
U.P.	Kanpur	Mill Delivery	1730	1750	-20
	Mathura	Mill Quality Loose	1620	1650	-30
	Kosi	Mill Quality Loose	1630	1640	-10
	Hathras	Mill Quality Loose	1715	1725	-10
	Aligarh	Mill Quality Loose	Closed	1725	-
Punjab	Khanna	Mill Quality Loose	Closed	1660	-
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1775	1775	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1815	1800	15
	Karnal	Mill Delivery	NA	NA	-

	Panipat	Mill Quality Loose	NA	NA	-
<b>Tamil Nadu</b>	Chennai	Mill Quality	1980	1980	Unch
	Madurai	Mill Quality	2037	2037	Unch
	Coimbatore	Mill Quality	2037	2037	Unch
<b>Bihar</b>	Khagariya	Mill Delivery	1950	1950	Unch
	Muzaffarpur	Mill Delivery	1825	1825	Unch
<b>FOR</b>	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			13-Jan-21	12-Jan-21	
<b>Gujarat</b>	Rajkot	Lokwan	1925	1900	25
<b>M.P.</b>	Indore	Lokwan	Closed	2000	-
	Bhopal	Lokwan	Closed	2025	-
	Bina	Sarbati 306	Closed	2600	-
<b>Rajasthan</b>	Kota	Lokwan Bilty	2030	2000	30
	Baran	Lokwan	NA	NA	-

**Wheat Arrivals in Key Centers:**

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			13-Jan-21	12-Jan-21	
<b>Delhi</b>	Lawrence Road	Mill Delivery	6000	8500	-2500
	Narella	Mill Quality Loose	Closed	300	-
	Nazafgarh	Mill Quality Loose	Closed	25	-
<b>Gujarat</b>	Rajkot	Mill Quality Loose	800	900	-100
	Dhrol	Mill Quality Loose	68	95	-27
<b>M.P.</b>	Indore	Mill Quality Loose	Closed	3000	-
<b>Rajasthan</b>	Kota	Mill Quality	6000	5000	1000
<b>U.P.</b>	Kanpur	Mill Quality Loose	350	400	-50
	Mathura	Mill Quality Loose	280	250	30
	Kosi	Mill Quality Loose	800	500	300
	Hathras	Mill Quality Loose	800	100	700
	Aligarh	Mill Quality Loose	Closed	250	-
<b>Punjab</b>	Khanna	Mill Quality Loose	Closed	500	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	40	70	-30
	Bhiwani	Mill Quality Loose	400	400	Unch
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	13-Jan-21	12-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: 12.01.2021**

Contract Month	Open	High	Low	Close	Change
<b>Mar-21</b>	636.25	670.00	634.00	665.00	+30.25↑
<b>May-21</b>	637.25	669.25	635.75	665.75	+29.00↑
<b>Jul-21</b>	629.25	654.50	628.00	651.00	+22.25↑
<b>Sep-21</b>	631.00	655.25	631.00	652.00	+21.00↑
<b>Dec-21</b>	639.25	662.00	639.00	658.75	+20.25↑
<b>Mar-22</b>	646.50	667.25	646.50	664.00	+19.00↑

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