

Wheat Domestic Fundamentals:

Weak tone was witnessed in Wheat physical markets on Monday in India. Wheat prices were lower at Uttar Pradesh, Madhya Pradesh and Punjab. Prices were firm in Delhi at Rs. 2000/q.

According to the department of agriculture officials, yellow rust has been reported in a village named Mangoli Jattan within the district of Kurukshetra of the State of Haryana. Though the wheat disease has been reported to affect an acre of cultivated wheat in the village, it may spread across wildfire if not timely controlled. The District Agriculture APO has advised farmers to watch on the situation and report immediately to the department in case of any doubt they may have in analyzing the spread.

As per trade sources, India has exported around 1.54 lakh tonnes in the month of December-2020 at an average FOB of \$238.06 per tonnes, higher this year and the major destinations were Bangladesh, Sri Lanka, Nepal and Malaysia. 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.

The US Department of Agriculture (USDA) on Tuesday upped its forecast of Indian wheat exports for 2020-21 (July-June) to 1.8 million tonnes (MMT), as against its earlier estimate of one MMT. That would be the highest ever in the last six years.

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, the area under wheat has increased marginally by 1.93% to 337.14 lakh hectares so far in the ongoing 2020-21 Rabi season from 330.60 lakh hectares year-ago same period. Rabi sowing progress's overall trend is excellent, with increased area coverage recorded due to favourable weather. Thus, 6.55 lakh ha more area has been covered compared to last year.

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.

International Market Update:

Wheat prices rose in most major exporting countries since last month's WASDE due to the Russia export tax and stronger prices for corn and soybeans. Australia prices strengthened on stronger demand in Southeast Asia in lieu of less exportable supplies in Russia with its export restraints. The major exporters are currently all quoting prices within a very narrow range.

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

Wheat Futures Contract: NCDEX Price							Date: 22.01.2021 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
21-Feb	-	-	-	-	1862				
21-Mar	-	-	-	-	1867				
21-Apr	-	-	-	-	1873				

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 22nd Jan-2021

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			22-Jan-21	21-Jan-21	
Delhi	Lawrence Road	Mill Delivery	2000	1980	20
	Narella	Mill Quality Loose	1850	1860	-10
	Nazafgarh	Mill Quality Loose	1830	1820	10
Gujarat	Rajkot	Mill Delivery	1875	1900	-25
	Ahmedabad	Mill Delivery	1960	1960	Unch
	Surat	Mill Delivery	2015	2020	-5
	Dhrol	Mill Quality Loose	1835	1835	Unch
M.P.	Indore	Mill Delivery	1840	1825	15
	Bhopal	Mill Quality Loose	1765	1780	-15
Rajasthan	Kota	Mill Quality Loose	1725	1750	-25
		Mill Delivery	1850	1850	Unch
U.P.	Kanpur	Mill Delivery	1720	1780	-60
	Mathura	Mill Quality Loose	1710	1760	-50
	Kosi	Mill Quality Loose	1660	1700	-40
	Hathras	Mill Quality Loose	1760	1760	Unch
	Aligarh	Mill Quality Loose	1780	1760	20
Punjab	Khanna	Mill Quality Loose	1760	1760	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1775	1775	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1870	1850	20
	Karnal	Mill Delivery	NA	NA	-

	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2050	2050	Unch
	Madurai	Mill Quality	2107	2107	Unch
	Coimbatore	Mill Quality	2107	2107	Unch
Bihar	Khagariya	Mill Delivery	1825	1800	25
	Muzaffarpur	Mill Delivery	1800	1800	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			22-Jan-21	21-Jan-21	
Gujarat	Rajkot	Lokwan	1950	1975	-25
M.P.	Indore	Lokwan	2100	2100	Unch
	Bhopal	Lokwan	1950	1950	Unch
	Bina	Sarbati 306	2600	2600	Unch
Rajasthan	Kota	Lokwan Bilty	2030	2030	Unch
	Baran	Lokwan	NA	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			22-Jan-21	21-Jan-21	
Delhi	Lawrence Road	Mill Delivery	5500	6000	-500
	Narella	Mill Quality Loose	150	200	-50
	Nazafgarh	Mill Quality Loose	80	50	30
Gujarat	Rajkot	Mill Quality Loose	1600	1200	400
	Dhrol	Mill Quality Loose	124	124	Unch
M.P.	Indore	Mill Quality Loose	3500	4000	-500
Rajasthan	Kota	Mill Quality	5000	6500	-1500
U.P.	Kanpur	Mill Quality Loose	1000	750	250
	Mathura	Mill Quality Loose	300	400	-100
	Kosi	Mill Quality Loose	800	250	550
	Hathras	Mill Quality Loose	100	200	-100
	Aligarh	Mill Quality Loose	400	200	200
Punjab	Khanna	Mill Quality Loose	700	400	300
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	100	80	20
	Bhiwani	Mill Quality Loose	200	400	-200
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	22-Jan-21	21-Jan-21	Change
Atta (50kg) Ordinary	1100	1100	Unch
Maida Grade 1 (50KG)	NA	NA	-
Suji (50kg)	1300	1300	Unch
Chokar (50 kg)	NA	NA	-
Chokar (34 kg)	NA	NA	-
Chakki Atta (50kg)	1100	1100	Unch
Chakki Atta (50kg) Special	NA	NA	-
Chakki Atta (90kg) Superfine	NA	NA	-
Chakki Atta (50kg) Superfine	NA	NA	-

Wheat (CBOT) Future Price: 21.01.2021					
Contract Month	Open	High	Low	Close	Change
Mar-21	666.50	674.75	657.75	660.75	-7.00↓
May-21	667.25	674.50	659.25	662.25	-5.75↓
Jul-21	649.50	656.00	644.50	647.75	-2.75↓
Sep-21	648.25	655.50	644.75	648.25	-2.00↓
Dec-21	653.25	660.00	650.00	653.75	-1.25↓
Mar-22	660.50	664.00	655.25	658.50	-1.00↓

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