

Wheat Domestic Fundamentals:

All India's weekly average prices decreased by 4.38 percent to Rs. 1775.39 per quintal during the week ended 31st Jan 2021. Wheat average prices were ruling at Rs 2222.11 per quintal during 24th –31st Jan 2020. The wheat prices are unlikely to drop and is going to be steady to firm in coming weeks due to high export demand. Prices are likely to trade steady to slightly firm.

As per the latest update, the area under wheat has increased marginally by 3.03% to 345.14 lakh hectares so far in the ongoing 2020-21 Rabi season from 334.68 lakh hectares year-ago same period. Rabi sowing progress's overall trend is excellent, with increased area coverage recorded due to favourable weather. Thus, 10.46 lakh ha more area has been covered compared to last year.

Wheat WPI has increased from 147.9 in November-20 to 147.3 in December-20. Monthly wheat inflation has decreased by 0.41 percent in December -2019 compared to the previous month and increased by 12.49 percent from December-19.

Steady tone was witnessed in Wheat physical markets on Wednesday in India. Wheat prices were steady at Uttar Pradesh, Madhya Pradesh and Punjab. Prices were firm in Delhi at Rs. 1990/q.

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.

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..

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.

Russia has formally approved a higher wheat export tax starting on March 1, Reuters reported, to counteract a rise in domestic food prices caused by the coronavirus (COVID-19) pandemic. The government approved a €50 (\$61) per tonne wheat export tax starting from March 1 to June 30 compared to the €25-per-tonne tax set for Feb. 15 to March 1. A barley and corn export tax is set at €10 per tonne and €25 per tonne, respectively, from March 15 to June 30.

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

Wheat Futures Contract: NCDEX Price							Date: 27.01.2021 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
21-Feb	-	-	-	-	1839				
21-Mar	-	-	-	-	1844				
21-Apr	-	-	-	-	1850				

Spread	Jan-21	Feb-21	Mar-21
Spot Narella	-	-	-
21-Feb	-	0	-
21-Mar	-	-	7
21-Apr	-	-	-

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 27th Jan-2021

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			27-Jan-21	25-Jan-21	
Delhi	Lawrence Road	Mill Delivery	1985	1980	5
	Narella	Mill Quality Loose	Closed	1850	-
	Nazafgarh	Mill Quality Loose	Closed	1825	-
Gujarat	Rajkot	Mill Delivery	1800	1875	-75
	Ahmedabad	Mill Delivery	1900	1965	-65
	Surat	Mill Delivery	1925	2020	-95
	Dhrol	Mill Quality Loose	1775	NR	-
M.P.	Indore	Mill Delivery	1850	1860	-10
	Bhopal	Mill Quality Loose	1710	1725	-15
Rajasthan	Kota	Mill Quality Loose	1715	1725	-10
		Mill Delivery	1840	1850	-10
U.P.	Kanpur	Mill Delivery	1710	1700	10
	Mathura	Mill Quality Loose	1770	1750	20
	Kosi	Mill Quality Loose	1700	1640	60
	Hathras	Mill Quality Loose	1795	1780	15
	Aligarh	Mill Quality Loose	Closed	1800	-
Punjab	Khanna	Mill Quality Loose	1740	1750	-10
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1785	1790	-5
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1870	1870	Unch
	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	1800	1800	Unch
	Muzaffarpur	Mill Delivery	1800	1775	25
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			27-Jan-21	25-Jan-21	
Gujarat	Rajkot	Lokwan	1900	1950	-50
M.P.	Indore	Lokwan	2100	2100	Unch
	Bhopal	Lokwan	1925	1950	-25
	Bina	Sarbati 306	Closed	2600	-
Rajasthan	Kota	Lokwan Bilty	1925	1950	-25
	Baran	Lokwan	NA	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			27-Jan-21	25-Jan-21	
Delhi	Lawrence Road	Mill Delivery	5500	6000	-500
	Narella	Mill Quality Loose	Closed	250	-
	Nazafgarh	Mill Quality Loose	Closed	60	-
Gujarat	Rajkot	Mill Quality Loose	1600	1500	100
	Dhrol	Mill Quality Loose	120	NR	-
M.P.	Indore	Mill Quality Loose	3000	3500	-500
Rajasthan	Kota	Mill Quality	7000	7000	Unch
U.P.	Kanpur	Mill Quality Loose	800	900	-100
	Mathura	Mill Quality Loose	700	200	500
	Kosi	Mill Quality Loose	300	500	-200
	Hathras	Mill Quality Loose	130	100	30
	Aligarh	Mill Quality Loose	Closed	300	-
Punjab	Khanna	Mill Quality Loose	500	200	300
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	50	100	-50
	Bhiwani	Mill Quality Loose	500	400	100
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi	27-Jan-21	25-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: 26.01.2021

Contract Month	Open	High	Low	Close	Change
Mar-21	646.75	667.75	641.25	665.25	+16.75↑
May-21	647.75	665.75	642.00	664.25	+15.25↑
Jul-21	630.75	648.50	626.50	647.50	+13.75↑
Sep-21	633.25	647.75	627.25	646.50	+12.50↑
Dec-21	634.25	651.75	633.25	650.50	+11.50↑
Mar-22	642.25	656.25	638.75	655.25	+11.00↑

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