

Wheat Domestic Fundamentals:

The wheat crop is expected to be good this year. The standing crop is getting cold at present, and due to the favorable environment, the harvest will be good in Gujarat. The sowing has been reduced, but there will not be a very big decline. The wheat price is hovering from ₹ 1810 to 1820, which has increased recently. There is no circumstance to see the price going below ₹ 1800 in the coming days. If the amount is too low, then the market can go down.

The Uttar Pradesh government has increased the MSP for wheat to Rs 1975 per quintal. In a way, this year, Rs 50 has been increased more than the MSP of last year. Government procurement of wheat in Uttar Pradesh is going to start from April 1.

On Friday, the Uttar Pradesh government issued directions to start wheat procurement from April 1. This year, the state government fixed the Minimum Support Price (MSP) at Rs 1975 per quintal, Rs 50 more than that of the last year. Chief Minister said, "Arrangements for the safety of wheat at purchasing centers and storage warehouses must be ensured, and the farmers should get benefits of the MSP at any cost." "The wheat farmers be given the facility of online registration in the same manner that sugarcane farmers were given. The purchasing agencies with a bad record should be kept out of consideration for work while making new policies." he further added. The state government will also geo-tag purchasing centres and storage warehouses. The government has also given directions to facilitate wheat procurement through biometric authentication this year.

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.

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.

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 Contact: NCDEX Price							Date: 30.01.2021 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
21-Feb	-	-	-	-	1819				
21-Mar	-	-	-	-	1824				
21-Apr	-	-	-	-	1830				

Wheat Daily Prices and Arrivals on 30th Jan-2021

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			30-Jan-21	29-Jan-21	
Delhi	Lawrence Road	Mill Delivery	1970	1980	-10
	Narella	Mill Quality Loose	1820	1840	-20
	Nazafgarh	Mill Quality Loose	1825	1830	-5
Gujarat	Rajkot	Mill Delivery	1850	1825	25
	Ahmedabad	Mill Delivery	1950	1870	80
	Surat	Mill Delivery	1970	1925	45
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Delivery	1825	1840	-15
	Bhopal	Mill Quality Loose	1660	1650	10
Rajasthan	Kota	Mill Quality Loose	1680	1740	-60
		Mill Delivery	1805	1865	-60
U.P.	Kanpur	Mill Delivery	1750	1750	Unch
	Mathura	Mill Quality Loose	1765	1760	5
	Kosi	Mill Quality Loose	1800	1700	100
	Hathras	Mill Quality Loose	1820	1825	-5
	Aligarh	Mill Quality Loose	1760	1750	10
Punjab	Khanna	Mill Quality Loose	1750	1725	25
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1800	1785	15
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1880	1860	20
	Karnal	Mill Delivery	NA	0	-
	Panipat	Mill Quality Loose	NA	0	-
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	1800	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
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Centre	Market	Variety	Prices (Rs/Qtl)		Change
			30-Jan-21	29-Jan-21	
Gujarat	Rajkot	Lokwan	1925	1900	25
M.P.	Indore	Lokwan	2100	2100	Unch
	Bhopal	Lokwan	1900	1900	Unch
	Bina	Sarbati 306	2600	2600	Unch
Rajasthan	Kota	Lokwan Bilty	1950	1950	Unch
	Baran	Lokwan	NA	0	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			30-Jan-21	29-Jan-21	
Delhi	Lawrence Road	Mill Delivery	5000	6000	-1000
	Narella	Mill Quality Loose	150	400	-250
	Nazafgarh	Mill Quality Loose	100	150	-50
Gujarat	Rajkot	Mill Quality Loose	900	1100	-200
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Quality Loose	1500	3000	-1500
Rajasthan	Kota	Mill Quality	6000	5000	1000
U.P.	Kanpur	Mill Quality Loose	400	700	-300
	Mathura	Mill Quality Loose	260	300	-40
	Kosi	Mill Quality Loose	800	850	-50
	Hathras	Mill Quality Loose	300	50	250
	Aligarh	Mill Quality Loose	200	300	-100
Punjab	Khanna	Mill Quality Loose	500	500	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	300	200	100
	Hodal	Mill Quality Loose	60	50	10
	Bhiwani	Mill Quality Loose	500	400	100
	Karnal	Mill Delivery	NA	0	-
	Panipat	Mill Quality Loose	NA	0	-

Wheat Products Delhi		30-Jan-21	29-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: 29.01.2021

Contract Month	Open	High	Low	Close	Change
Mar-21	646.25	664.75	643.00	663.00	+16.00↑
May-21	647.00	664.25	643.75	662.50	+15.00↑
Jul-21	631.50	644.25	629.00	643.00	+11.50↑
Sep-21	629.25	642.25	628.00	641.50	+11.25↑
Dec-21	634.00	645.50	631.75	644.75	+10.75↑
Mar-22	639.50	649.00	636.50	649.00	+10.25↑

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