

**Wheat Domestic Fundamentals:**

**As per latest update, area sown until 22<sup>nd</sup> November-19 is 96.77 lakh hectares compared to 99.64 lakh hectare in the previous Rabi season.** The normal area is 305.58 lakh hectares. In Gujarat, irrigated wheat sowing is reported on about 40,000 hectares, which is barely 4 per cent of the normal sowing.

**As per market sources, wheat stock in central pool as on 1st November'19 stood at 373.77 lakh tonnes down by 4.93% compared to last month.** This quantity is higher by around 12.80% compared to last year for the same month. Government has already applied import duty on wheat to curb imports and provide support to domestic prices. Therefore, government has abundant supplies this year to tackle any unexpected rise in wheat prices by selling more quantity in open market.

**All India weekly average prices increased by 0.47 percent to Rs. 2153.72 per quintal during the week ended 08th November 2019.** Wheat average price were ruling at Rs 2143.68 per quintal during 24-31 October 2019. As compared to prices in the week 01-08 November 2018, the prices are firm by 5.60 percent. Prices are expected to remain steady to firm in coming days due to no import parity and likely increase in demand in domestic market.

**Wheat sowing has been unusually delayed in Gujarat following muddy soil and waterlogged farms** due to extended rains. Progress in rabi sowing is much slower than expected as farmers are not able to till the land due to wet soil. The delay in rabi sowing will affect the new arrivals of some important crops including wheat. In Gujarat, irrigated wheat sowing is reported on about 40,000 hectares, which is barely 4 per cent of the normal sowing.

**Madhya Pradesh government is encouraging farmers to cultivate cashew rather than regular crop like wheat.** The state has witnessed heavy rains as well as dry conditions which has impacted crops. Government is promoting cash crops among farmers by waiving loans, providing electricity at half price, subsidizing farm equipment's, etc. All this has made a positive effect and some farmers have shifted to cashew farming.

**The agriculture department of Punjab has advised farmers to sow only varieties that are recommended by Punjab agriculture university (PAU).** HD 2967, HD 3086, PBW 343, PBW 550, PBW 725, PBW 677, WH 1105, PBW 621 and WHD 943 are among the PAU recommended varieties. Late sown varieties include PBW 658 and PBW 590. The above mentioned varieties are likely to give better yields. Therefore, under normal conditions a good harvest can be expected in Punjab.

**Wheat stock in central pool is 393.16 lakh tonnes higher by 36.91 lakh tonnes compared to last year for the same month.** Stock disposal still remains a problem as Indian wheat is not competitive in international market due to higher prices and domestic demand is limited. Furthermore, India is expected to see another good year of production due to good soil moisture and higher acreage.

**India has raised MSP by Rs 85 per quintal to Rs 1925 per quintal for MY 2020-21. The hike in MSP is lowest in last three years.** Even though this increase is lower it has still widened the gap between domestic and international prices. India wheat FoB at Kandla is ruling around \$312 per tonne compared to \$203.5 per tonne for Russian wheat with 11.5 percent protein content.

**As per trade source, India has exported around 10.64 thousand tonnes in the month of September-2019.** The quantity in September-2019 was exported at an average FOB of \$ 373.12 per tonne and the major destinations were Nepal, Jordan, UAE and Somalia. Exports are likely to be at lower side as other countries are able to provide quality wheat at competitive prices.

**International Market Update:**

**According to government sources, Zimbabwe has removed import controls on wheat flour** following a severe drought that has reduced supplies in the country. Millers will no longer be able to buy grain at subsidized prices from the state grain agency.

**In U.K., area under winter wheat is forecast to decline by 10 percent compared to previous year.** Continued wet weather has prolonged this autumn's drilling season and growers intend to plant 1.65 million hectares compared to 1.82 million hectares previous year.

**According to official sources, Egypt's state grain buyer bought 465,000 tonnes of wheat in an international purchase tender** last week. The purchase comprised of 345,000 tonnes of Russian wheat and 120,000 tonnes of Ukrainian wheat.

**According to the government, Algeria has decided to cap soft wheat imports at 4 million tonnes a year,** down from 6.2 million tonnes. The move is designed to preserve foreign currency and reduce Algerian imports of cereals, especially soft wheat.

**According to trade sources, Argentina is set to dominate Asia's grain market for a second consecutive year in 2020** as trading companies are already buying significant volumes anticipating good first-quarter demand in the region. Drought in Australia is likely to reduce exports from the country.

Wheat Futures Contact: NCDEX Price							Date:26.11.2019 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
19-Dec	0	2140	2140	2140	2140	0	0	0	0
20-Jan	0	2151	2151	2151	2151	0	-10	40	0
20-Feb	0								

Spread	Dec-19	Jan-20	Feb-20
Spot Narella	2240		
19-Nov	-100		
19-Dec		11	
20-Jan			-

Stocks	Demat	In-Process	Total	EDD
	25.Nov.19	25.Nov.19	25.Nov.19	25.Nov.19
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	9067	-	9067	9067
Baran	-	-	-	-

Wheat Daily Prices and Arrivals on 21.11.2019

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			26-Nov-19	25-Nov-19	
Delhi	Lawrence Road	Mill Delivery	2270	2270	Unch
	Narella	Mill Quality Loose	2240	2250	-10
	Nazafgarh	Mill Quality Loose	2180	2150	30
Gujarat	Rajkot	Mill Delivery	2230	2240	-10
	Ahmedabad	Mill Delivery	2280	2280	Unch
	Surat	Mill Delivery	2340	2350	-10
	Dhrol	Mill Quality Loose	2325	2500	-175
M.P.	Indore	Mill Delivery	Closed	2260	-
	Bhopal	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality Loose	2030	2010	20
		Mill Delivery	2135	2140	-5
U.P.	Kanpur	Mill Delivery	2100	2110	-10
	Mathura	Mill Quality Loose	NA	NA	-
	Kosi	Mill Quality Loose	2050	2050	Unch
	Hathras	Mill Quality Loose	2000	2025	-25

	Aligarh	Mill Quality Loose	2050	2050	Unch
Punjab	Khanna	Mill Quality Loose	NA	NA	-
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	2120	2120	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	2160	2165	-5
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2450	2450	Unch
	Madurai	Mill Quality	2507	2507	Unch
	Coimbatore	Mill Quality	2507	2507	Unch
Bihar	Khagariya	Mill Delivery	2100	2100	Unch
	Muzaffarpur	Mill Delivery	2000	2000	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			26-Nov-19	25-Nov-19	
Gujarat	Rajkot	Lokwan	2275	2275	Unch
M.P.	Indore	Lokwan	Closed	2500	-
	Bhopal	Lokwan	Closed	Closed	-
	Bina	Sarbati 306	Closed	2500	-
Rajasthan	Kota	Lokwan Bilty	2250	2220	30
	Baran	Lokwan	NA	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			26-Nov-19	25-Nov-19	
Delhi	Lawrence Road	Mill Delivery	6000	6000	Unch
	Narella	Mill Quality Loose	100	300	-200
	Nazafgarh	Mill Quality Loose	50	10	40
Gujarat	Rajkot	Mill Quality Loose	1200	500	700
	Dhrol	Mill Quality Loose	25	33	-8

<b>M.P.</b>	Indore	Mill Quality Loose	Closed	3000	-
<b>Rajasthan</b>	Kota	Mill Quality	4500	4000	<b>500</b>
<b>U.P.</b>	Kanpur	Mill Quality Loose	1000	700	<b>300</b>
	Mathura	Mill Quality Loose	NA	NA	-
	Kosi	Mill Quality Loose	200	200	<b>Unch</b>
	Hathras	Mill Quality Loose	450	150	<b>300</b>
	Aligarh	Mill Quality Loose	250	200	<b>50</b>
<b>Punjab</b>	Khanna	Mill Quality Loose	NA	NA	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Quality Loose	300	300	<b>Unch</b>
	Hodal	Mill Quality Loose	100	50	<b>50</b>
	Bhiwani	Mill Quality Loose	300	400	<b>-100</b>
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

<b>Wheat Products Delhi</b>	<b>26-Nov-19</b>	<b>25-Nov-19</b>	<b>Change</b>
Atta (50kg) Ordinary	1200	1200	<b>Unch</b>
Maida Grade 1 (50KG)	1400	1400	<b>Unch</b>
Suji (50kg)	1335	1335	<b>Unch</b>
Chokar (50 kg)	932	932	<b>Unch</b>
Chokar (34 kg)	634	634	<b>Unch</b>
Chakki Atta (50kg)	1362	1362	<b>Unch</b>
Chakki Atta (50kg) Special	1387	1387	<b>Unch</b>
Chakki Atta (90kg) Superfine	2511	2511	<b>Unch</b>
Chakki Atta (50kg) Superfine	1395	1395	<b>Unch</b>

<b>Wheat (CBOT) Future Price: 25.11.2019</b>					
<b>Contract Month</b>	<b>Open</b>	<b>High</b>	<b>Low</b>	<b>Close</b>	<b>Change</b>
<b>19-Dec</b>	<b>515</b>	<b>532.5</b>	<b>515</b>	<b>531</b>	<b>15.75</b>
<b>20-Mar</b>	<b>518.75</b>	<b>534.75</b>	<b>518.75</b>	<b>533</b>	<b>14.25</b>
<b>20-May</b>	<b>523</b>	<b>538</b>	<b>523</b>	<b>536.5</b>	<b>13.75</b>
<b>20-Jul</b>	<b>524</b>	<b>537.25</b>	<b>524</b>	<b>536</b>	<b>12</b>
<b>20-Sep</b>	<b>532.5</b>	<b>543.25</b>	<b>532.5</b>	<b>542.25</b>	<b>11.25</b>
<b>20-Dec</b>	<b>544.5</b>	<b>553.5</b>	<b>543.75</b>	<b>552.5</b>	<b>10.5</b>

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