

**Wheat Domestic Fundamentals:**

**According to Punjab state Govt. the procurement of wheat amid the Covid-19 pandemic** came to an end today, with Punjab once again establishing its reputation as the granary of India. More than 127 lakh metric tonnes (LMT) of wheat was procured this year. The four state procurement agencies, Pungrain, Markfed, Punsup and Punjab State Warehousing Corporation have procured the maximum amount of wheat (81.8 per cent) followed by the Food Corporation of India, which has procured 11.1 per cent of the total wheat that arrived in the state's mandis. In all, Punjab witnessed an arrival of 127.62 LMT of wheat to date, of which 126.61 LMT has already been lifted.

**Millions of wheat sacks lying under the open sky in the grain market were soaked due to the incessant rains** that have been happening for two days and thousands of quintals of wheat are drowned in the water due to the flooding of rain water in the grain market. Due to the rains on Saturday night, many adhatis and their employees were engaged to save wheat submerged in rainy water throughout the day. The torrential rain again on Sunday evening again dashed the hopes of these adhatiyas. The procurement agencies are blaming Hafed and Warehouse for not lifting wheat in the market's half-godowns. The agents said that despite the contractor having sufficient labor and vehicles for the lifting of wheat, the procurement agencies did not take up the lifting of wheat seriously, due to heavy rains, the jobbers would have to lose lakhs of rupees. About 9 lakh quintals of government have been procured in the grain market this season, in which Four and a half lakh quintals of wheat have been lifted and stored in warehouses. In view of the possibility of inclement weather, the stockmen planted wooden crates on the sheds and high platforms in the mandi, and thousands of quintals of wheat were still open as heaps in the mandi. Several quintals of wheat flowed into the water accumulated in the market due to heavy rains.

**Between 15 April and 24 May, UP procured 20.39 lakh metric tonnes (LMT) of wheat**, just 5.6 per cent of the total estimated production of 363 LMT. This is also only about 37 per cent of the procurement target of 55 LMT set for the state by the central government. This target in itself was only about 15 per cent of the total estimated production. Compare this to neighbouring Madhya Pradesh, which has procured 113.38 LMT until 24 May, greater than its procurement target of 100 LMT. Last year, UP had the same target — 55 LMT — but only procured 37 LMT of wheat.

**As per the third advance estimate released by the Union Agriculture Ministry the country** has once again achieved a milestone in wheat production in crop year 2019-20. As per the estimate for the current season, the country has produced a record 107.20 million tonnes (MT) so far. This is around 4MT higher than last season's production of 103.6 MT.

**According to the state Govt. of Madhya Pradesh the farmers of those districts** where wheat procurement has been delayed due to Corona crisis, need not worry, as procurement will continue till May 31 there.

**The government's wheat procurement in 2020-21 (May 24, 2020) marketing year has surpassed** the last year's 34.13 million tonnes, despite all the hurdles in the wake of the COVID-19 outbreak, official data showed on Monday. "Procurement of wheat by the government agencies surpassed last year's figures of 341.31Lakh Metric Tonnes (LMT) to touch 341.56LMT on 24.05.2020, surmounting all impediments created due to the spread of COVID-19 virus and the country wide lockdown"

**According to FCI 354.08 LMT Wheat has been procured so far**, in which Punjab has procured 126.68 LMT followed by M.P 119.43 LMT, Haryana 72.41 LMT and U.P 22.20 LMT, as on May 29.

**International Market Update:**

**The European Commission decreased the EU's 2020-21 wheat production from 121.5 million tonnes** from the previous estimate of 125.8 million tonnes a month ago, according to Reuters. The European Commission's lowered forecast comes after the EU's crop monitoring service decreased its outlook due to dry weather and a warm spring, Reuters reported. The EU wheat exports also were lowered for the 2020-21 season. It is forecast to export 26.5 million tonnes of wheat compared to the previous estimate of 28 million tonnes, according to Reuters.

**Export prices for Russian wheat new crop grew up amid lower crop forecast** due to dry weather, including the Russian Ministry of agriculture. According to IKAR, the price of the new harvest with a 2.5-percent protein content in Novorossiisk for delivery in July rose within the week by \$4 to \$199 per ton FOB.

**CBOT July wheat may fall to \$4.91-3/4 per bushel**, as it could have completed a bounce from the May 18 low

Wheat Futures Contract: NCDEX Price							Date: 01.06.2020 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
20-May	0	-	-	-	1906				
20-June	0	-	-	-	1884				
20-July	0	-	-	-	1890				

Spread	May-20	June-20	July-20
Spot Narella	-		
20-May	-		
20-June		7	
20-July			8

Stocks	Demat	In-Process	Total	EDD
	23.Apr.20	23.Apr.20	23.Apr.20	20.Apr.20
Delhi	-	-	-	-
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	-	-	-	-

**Wheat Daily Prices and Arrivals on 24.11.2018**

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			01-Jun-20	30-May-20	
Delhi	Lawrence Road	Mill Delivery	1985	1965	20
	Narella	Mill Quality Loose	1830	1810	20
	Nazafgarh	Mill Quality Loose	NA	NA	-
Gujarat	Rajkot	Mill Delivery	1790	1800	-10
	Ahmedabad	Mill Delivery	1890	1900	-10
	Surat	Mill Delivery	1940	1950	-10
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Delivery	Closed	Closed	-
	Bhopal	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality Loose	1715	1715	Unch
		Mill Delivery	1830	1830	Unch
U.P.	Kanpur	Mill Delivery	2000	2000	Unch
	Mathura	Mill Quality Loose	1810	1810	Unch
	Kosi	Mill Quality Loose	1850	1850	Unch
	Hathras	Mill Quality Loose	1875	1850	25
	Aligarh	Mill Quality Loose	1800	1800	Unch
Punjab	Khanna	Mill Quality Loose	1925	1925	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1925	1925	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1900	1900	Unch

	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
<b>Tamil Nadu</b>	Chennai	Mill Quality	2150	2150	Unch
	Madurai	Mill Quality	2207	2207	Unch
	Coimbatore	Mill Quality	2207	2207	Unch
<b>Bihar</b>	Khagariya	Mill Delivery	2100	2100	Unch
	Muzaffarpur	Mill Delivery	1980	1980	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
			01-Jun-20	30-May-20	
<b>Gujarat</b>	Rajkot	Lokwan	1825	1850	-25
<b>M.P.</b>	Indore	Lokwan	Closed	Closed	-
	Bhopal	Lokwan	Closed	Closed	-
	Bina	Sarbati 306	2200	2160	40
<b>Rajasthan</b>	Kota	Lokwan Bilty	1900	1900	Unch
	Baran	Lokwan	NA	NA	-

**Wheat Arrivals in Key Centers:**

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			01-Jun-20	30-May-20	
<b>Delhi</b>	Lawrence Road	Mill Delivery	6000	8000	-2000
	Narella	Mill Quality Loose	1200	1500	-300
	Nazafgarh	Mill Quality Loose	NA	NA	-
<b>Gujarat</b>	Rajkot	Mill Quality Loose	6000	3500	2500
	Dhrol	Mill Quality Loose	NR	NR	-
<b>M.P.</b>	Indore	Mill Quality Loose	Closed	Closed	-
<b>Rajasthan</b>	Kota	Mill Quality	17000	20000	-3000
<b>U.P.</b>	Kanpur	Mill Quality Loose	1900	1900	Unch
	Mathura	Mill Quality Loose	700	1000	-300
	Kosi	Mill Quality Loose	150	200	-50
	Hathras	Mill Quality Loose	600	400	200
	Aligarh	Mill Quality Loose	3000	3000	Unch
<b>Punjab</b>	Khanna	Mill Quality Loose	3000	3000	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Quality Loose	2000	2000	Unch
	Hodal	Mill Quality Loose	1500	1500	Unch
	Bhiwani	Mill Quality Loose	400	700	-300
	Karnal	Mill Delivery	NA	NA	-

	Panipat	Mill Quality Loose	NA	NA	-
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Wheat (CBOT) Future Price: 01.06.2020					
Contract Month	Open	High	Low	Close	Change
<b>Jul-20</b>	513.50	522.25	511.75	520.75	+6.25↑
<b>Sep-20</b>	517.00	525.00	515.00	523.50	+5.75↑
<b>Dec-20</b>	525.50	533.50	524.00	532.25	+6.00↑
<b>Mar-21</b>	533.75	541.75	532.50	540.25	+5.75↑
<b>May-21</b>	537.50	545.00	536.25	542.75	+4.25↑
<b>Jul-21</b>	534.75	542.00	534.00	538.75	+2.50↑

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