

Wheat Domestic Fundamentals:

According to Govt. officials the Centre is unlikely to extend the deadline for procurement of wheat beyond Jul 15 as it is hopeful that major procuring states will be able to wrap up the purchases in June itself. Usually, Punjab and Haryana wrap up procurement by the end of May, but the pace of purchases was slower this year due to the lockdown and subsequent restrictions on movement to contain the COVID-19 pandemic. A similar situation was there in Madhya Pradesh too. In Punjab, Haryana and Madhya Pradesh, the purchases are almost over now. They will be able to complete the process by the end of this month. For some states like Bihar, and Uttarakhand, with smaller quantity of procurement we hope it will be done by middle of July

In the current Rabi marketing season 2020-21, wheat procurement has reached 366.32 lakh tonnes by June 3, which is 6.82% higher than the total procurement of 341.32 lakh tonnes last year. In Madhya Pradesh, where the procurement has been more than the target, at the same time, 54 percent of the target has been achieved from Uttar Pradesh, the largest producing state.

According to Bhopal meteorological department, there are chances of rain on Wednesday and Thursday. Heavy rainfall may occur at some places. Due to the Nisagra storm in the Arabian Sea, there may be rain in the south-western part of Madhya Pradesh. Heavy rains are expected in the districts of Bhopal, Indore, 35 lakh quintals of wheat is lying in the open in agricultural mandis, procurement centers and societies due to lack of timely transport. Due to the sudden change in the weather due to the nature of the storm, there is a possibility that within two days the districts of Bhopal, Sagar and Hoshangabad divisions may receive heavy rains.

The UP government on Tuesday said that it has procured 304.77 lakh quintals of wheat and paid Rs 3,890 crore to farmers for the same in this Rabi season.

According to Punjab state Govt. The lifting of purchased wheat is almost completed, procuring over nine percent of total wheat in Punjab, Sangrur has topped the state in wheat procurement this year. As per official figures of the progressive purchase in the state till May 31, of total 12,711,895 metric tonne wheat, over 1,197,391.6 MT has been procured in Sangrur by different agencies. Bathinda has been ranked second by purchasing 998,623 MT and Muktsar third with 932,477 MT, by May 31. In the last wheat procurement season as well, Sangrur had topped the state by procuring 1,189,454 MT wheat on May 31.

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.

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.

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:

Ukrainian export wheat prices have risen by \$3-\$4 per tonne over the past week in response to expectations of a decrease in the 2020/21 harvest in Ukraine as well as in other exporting countries, APK-Inform agriculture consultancy said on Wednesday. Milling wheat from the new 2020 harvest was quoted at \$172-174 per tonne CPT (Carriage Paid To) in small Ukrainian Black Sea ports as of June 3 compared with around \$168-170 a week earlier, the consultancy said.

Ukraine's 2020/21 wheat harvest is likely to fall around 18% to 23.2 million tonnes and exports by more than a quarter to 14.9 million tonnes, Ukrainian traders quoted preliminary data from the economy ministry as showing on Monday. Ukraine harvested 28.3 million tonnes of wheat in 2019, and exports could reach a record 20.5 million tonnes in 2019/20 season which ends on June 30.

Wheat Futures Contact: NCDEX Price							Date: 04.06.2020 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
20-May	0	-	-	-	1887				
20-June	0	-	-	-	1893				
20-July	0	-	-	-	1901				

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	-	-	-	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			04-Jun-20	03-Jun-20	
Delhi	Lawrence Road	Mill Delivery	1980	1970	10
	Narella	Mill Quality Loose	1925	Closed	-
	Nazafgarh	Mill Quality Loose	NA	Closed	-
Gujarat	Rajkot	Mill Delivery	1780	1780	Unch
	Ahmedabad	Mill Delivery	1860	1860	Unch
	Surat	Mill Delivery	1930	1930	Unch
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Delivery	1900	1900	Unch
	Bhopal	Mill Quality Loose	1750	1750	Unch
Rajasthan	Kota	Mill Quality Loose	1730	1730	Unch
		Mill Delivery	1870	1870	Unch
U.P.	Kanpur	Mill Delivery	2000	2000	Unch
	Mathura	Mill Quality Loose	1780	1780	Unch
	Kosi	Mill Quality Loose	1850	1850	Unch
	Hathras	Mill Quality Loose	1815	1815	Unch
	Aligarh	Mill Quality Loose	1825	Closed	-
Punjab	Khanna	Mill Quality Loose	1925	1925	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1915	1915	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1925	1925	Unch
	Karnal	Mill Delivery	NA	NA	-

	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2150	2150	Unch
	Madurai	Mill Quality	2207	2207	Unch
	Coimbatore	Mill Quality	2207	2207	Unch
Bihar	Khagariya	Mill Delivery	2000	2000	Unch
	Muzaffarpur	Mill Delivery	1900	1900	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			04-Jun-20	03-Jun-20	
Gujarat	Rajkot	Lokwan	1825	1825	Unch
M.P.	Indore	Lokwan	NA	NA	-
	Bhopal	Lokwan	1950	1950	Unch
	Bina	Sarbati 306	2180	Closed	-
Rajasthan	Kota	Lokwan Bilty	1950	1950	Unch
	Baran	Lokwan	NA	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			04-Jun-20	03-Jun-20	
Delhi	Lawrence Road	Mill Delivery	4000	7000	-3000
	Narella	Mill Quality Loose	1000	Closed	-
	Nazafgarh	Mill Quality Loose	NA	Closed	-
Gujarat	Rajkot	Mill Quality Loose	5000	5000	Unch
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Quality Loose	NA	NA	-
Rajasthan	Kota	Mill Quality	56000	50000	6000
U.P.	Kanpur	Mill Quality Loose	2000	2200	-200
	Mathura	Mill Quality Loose	2000	4000	-2000
	Kosi	Mill Quality Loose	1400	1000	400
	Hathras	Mill Quality Loose	800	800	Unch
	Aligarh	Mill Quality Loose	4000	Closed	-
Punjab	Khanna	Mill Quality Loose	2000	2000	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	3000	3000	Unch
	Hodal	Mill Quality Loose	1000	1000	Unch
	Bhiwani	Mill Quality Loose	200	700	-500
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat (CBOT) Future Price: 03.06.2020					
Contract Month	Open	High	Low	Close	Change
Jul-20	509.75	515.50	506.50	512.00	+4.00↑
Sep-20	514.00	519.25	511.25	515.75	+3.50↑
Dec-20	525.50	529.25	522.00	526.00	+3.00↑
Mar-21	533.75	538.50	531.75	535.75	+3.25↑
May-21	538.25	542.25	535.75	539.75	+3.50↑
Jul-21	535.00	539.50	534.25	536.25	+2.75↑

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2020 Indian Agribusiness Systems Ltd.