

Wheat Domestic Fundamentals:

Cyclone Nisarga: Madhya Pradesh has purchased 125.60 lakh MT of wheat from farmers in which Thousands of quintals of wheat procured by the Madhya Pradesh government and waiting to be transported to warehouses were damaged in rains that battered several parts of the state on Thursday. About 15,000 quintals of wheat stored in open in Katni got wet in the past two days. The value of the wheat stored is said to be about Rs 2.81 crore. Similarly, in Rajgarh district too wheat was stored in the open at about 90 per cent of the 84 procurement centres. It got wet due to rains.

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

Wheat Futures Contract: 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	-	-	-	1881				
20-June	0	-	-	-	1888				
20-July	0	-	-	-	1896				

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
			05-Jun-20	04-Jun-20	
Delhi	Lawrence Road	Mill Delivery	1975	1980	-5
	Narella	Mill Quality Loose	1800	1925	-125
	Nazafgarh	Mill Quality Loose	NA	NA	-
Gujarat	Rajkot	Mill Delivery	1770	1780	-10
	Ahmedabad	Mill Delivery	1880	1860	20
	Surat	Mill Delivery	1940	1930	10
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Delivery	1925	1900	25
	Bhopal	Mill Quality Loose	1740	1750	-10
Rajasthan	Kota	Mill Quality Loose	1700	1730	-30
		Mill Delivery	1850	1870	-20
U.P.	Kanpur	Mill Delivery	2000	2000	Unch
	Mathura	Mill Quality Loose	1790	1780	10
	Kosi	Mill Quality Loose	1850	1850	Unch
	Hathras	Mill Quality Loose	1850	1815	35
	Aligarh	Mill Quality Loose	1795	1825	-30
Punjab	Khanna	Mill Quality Loose	1900	1925	-25

	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1920	1915	5
	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	1925	1900	25
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			05-Jun-20	04-Jun-20	
Gujarat	Rajkot	Lokwan	1800	1825	-25
M.P.	Indore	Lokwan	NA	NA	-
	Bhopal	Lokwan	1950	1950	Unch
	Bina	Sarbati 306	2150	2180	-30
Rajasthan	Kota	Lokwan Bilty	1950	1950	Unch
	Baran	Lokwan	NA	NA	-

Wheat Arrivals in Key Centers:


Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			05-Jun-20	04-Jun-20	
Delhi	Lawrence Road	Mill Delivery	6000	4000	2000
	Narella	Mill Quality Loose	3000	1000	2000
	Nazafgarh	Mill Quality Loose	NA	NA	-
Gujarat	Rajkot	Mill Quality Loose	4000	5000	-1000
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Quality Loose	NA	NA	-
Rajasthan	Kota	Mill Quality	50000	56000	-6000
U.P.	Kanpur	Mill Quality Loose	2500	2000	500

	Mathura	Mill Quality Loose	3000	2000	1000
	Kosi	Mill Quality Loose	1000	1400	-400
	Hathras	Mill Quality Loose	250	800	-550
	Aligarh	Mill Quality Loose	4000	4000	Unch
Punjab	Khanna	Mill Quality Loose	1500	2000	-500
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	2000	3000	-1000
	Hodal	Mill Quality Loose	1000	1000	Unch
	Bhiwani	Mill Quality Loose	500	200	300
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat (CBOT) Future Price: 04.06.2020					
Contract Month	Open	High	Low	Close	Change
Jul-20	512.25	529.00	512.00	523.75	+11.75↑
Sep-20	516.00	532.75	515.75	527.50	+11.75↑
Dec-20	526.25	542.25	526.00	536.75	+10.75↑
Mar-21	535.75	551.25	535.75	546.25	+10.50↑
May-21	539.75	554.75	539.75	550.50	+10.75↑
Jul-21	536.75	551.00	536.75	547.00	+10.75↑

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Jul20	200604	512.25	529.00	512.00	523.75	+11.75↑	76,980	197,137	-6,650	Hover/Click
Sep20	200604	516.00	532.75	515.75	527.50	+11.75↑	38,102	88,040	+3,759	Hover/Click
Dec20	200604	526.25	542.25	526.00	536.75	+10.75↑	22,638	68,507	+3,496	Hover/Click
Mar21	200604	535.75	551.25	535.75	546.25	+10.50↑	10,085	24,733	+305	Hover/Click
May21	200604	539.75	554.75	539.75	550.50	+10.75↑	6,108	6,897	+628	Hover/Click

Jul21	200604	536.75	551.00	536.75	547.00	+10.75 	5,746	8,405	+856	Hover/Click
Total Volume and Open Interest							159,836	400,202	+2,419	