

Wheat Domestic Fundamentals:

In the country's largest wheat producing state Uttar Pradesh, wheat production is estimated to increase to 363 lakh tonnes in the current rabi season, but the government procurement target has reached only 50 per cent of the fixed 55 lakh tonnes, which was due to the total procurement last year. Also around 9.40 lakh tonnes is less. The state government has extended the purchase deadline to June 30, but the pace with which the purchase is taking place makes it difficult to reach the target.

According to MP Govt. "Madhya Pradesh has reached first position in the country in procurement of wheat on support price. So far, 1, 27,67,628 metric tonnes of wheat has been procured. This accounts for 33 per cent of wheat procured by all states. Punjab is second to MP," a public relations department official said. He said the total amount of wheat procured in the country stood at 3,86,54,000 metric tonnes.

The Uttar Pradesh has introduced a new system for procurement of less wheat against the target at the purchasing centers and not reaching the farmers at government purchasing centers. Now wheat will be purchased at farmers' home by operating mobile purchasing center. In rural areas, 100 quintals or more of wheat will be purchased individually or collectively through a mobile purchasing center in a place / campus. There will also be a relaxation in the quality and standards set for wheat grains affected due to rain. There are 77 centers of nine purchasing agencies approved for purchasing wheat.

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.

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.

Russia's wheat export prices have stabilized as the market examined crop conditions and yield potential, Wheat with 12.5% protein loaded from Black Sea ports with delivery in July was at \$202 per tonne at the end of last week, unchanged from the previous week, said SovEcon. New crop wheat for July delivery was up \$1 to \$200 a tonne. Exports from Russia slowed to the lowest levels in recent years, SovEcon said. Exports were at 134,000 tonnes of wheat last week compared to 305,000 tonnes a week earlier. Total grain exports from July 1-May 28 are down 13% to 35.4 million tonnes. Wheat accounted for 30.2 million tonne.

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

| Wheat Futures Contract: NCDEX Price | | | | | | | Date: 08.06.2020 at 5:00 PM | | |
|-------------------------------------|-----|------|------|-----|-------|--------|-----------------------------|----|-----------------------|
| Contract Month | +/- | Open | High | Low | Close | Volume | Ch. From previous day | OI | Ch. From previous day |
| 20-May | 0 | - | - | - | 1886 | | | | |
| 20-June | 0 | - | - | - | 1892 | | | | |
| 20-July | 0 | - | - | - | 1900 | | | | |

| 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 |
|-----------|---------------|--------------------|-----------------|-----------|--------|
| | | | 08-Jun-20 | 06-Jun-20 | |
| Delhi | Lawrence Road | Mill Delivery | 1990 | 1975 | 15 |
| | Narella | Mill Quality Loose | 1825 | 1815 | 10 |
| | Nazafgarh | Mill Quality Loose | 1840 | NA | - |
| Gujarat | Rajkot | Mill Delivery | 1780 | 1780 | Unch |
| | Ahmedabad | Mill Delivery | 1900 | 1880 | 20 |
| | Surat | Mill Delivery | 1950 | 1940 | 10 |
| | Dhrol | Mill Quality Loose | NR | NR | - |
| M.P. | Indore | Mill Delivery | 1920 | 1900 | 20 |
| | Bhopal | Mill Quality Loose | 1770 | 1750 | 20 |
| Rajasthan | Kota | Mill Quality Loose | 1750 | 1710 | 40 |
| | | Mill Delivery | 1880 | 1850 | 30 |
| U.P. | Kanpur | Mill Delivery | 1980 | 2000 | -20 |
| | Mathura | Mill Quality Loose | 1820 | 1800 | 20 |
| | Kosi | Mill Quality Loose | 1845 | 1830 | 15 |
| | Hathras | Mill Quality Loose | 1850 | 1850 | Unch |
| | 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 | 1920 | 1920 | Unch |
| | Hodal | Mill Delivery | NA | NA | - |
| | Bhiwani | Mill Quality Loose | 1900 | 1900 | 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 | 2050 | 2000 | 50 |
| | Muzaffarpur | Mill Delivery | 1950 | 1925 | 25 |
| FOR | Kandla (Rajasthan-Rajkot) | Mill Quality | NA | NA | - |
| | Gandhidham (Rajasthan-Rajkot) | Mill Quality | NA | NA | - |

| Centre | Market | Variety | Prices (Rs/Qtl) | | Change |
|------------------|--------|--------------|-----------------|-----------|-------------|
| | | | 08-Jun-20 | 06-Jun-20 | |
| Gujarat | Rajkot | Lokwan | 1800 | 1800 | Unch |
| M.P. | Indore | Lokwan | NA | NA | - |
| | Bhopal | Lokwan | 1980 | 1950 | 30 |
| | Bina | Sarbati 306 | 2200 | 2150 | 50 |
| Rajasthan | Kota | Lokwan Bilty | 1975 | 1950 | 25 |
| | Baran | Lokwan | NA | NA | - |

Wheat Arrivals in Key Centers:

| Centre | Market | Variety | Arrivals (Bags/Qtl) | | Change |
|------------------|---------------|--------------------|---------------------|-----------|--------------|
| | | | 08-Jun-20 | 06-Jun-20 | |
| Delhi | Lawrence Road | Mill Delivery | 8500 | 5000 | 3500 |
| | Narella | Mill Quality Loose | 2000 | 1000 | 1000 |
| | Nazafgarh | Mill Quality Loose | 400 | NA | - |
| Gujarat | Rajkot | Mill Quality Loose | 5000 | 4000 | 1000 |
| | Dhrol | Mill Quality Loose | NR | NR | - |
| M.P. | Indore | Mill Quality Loose | NA | NA | - |
| Rajasthan | Kota | Mill Quality | 22000 | 30000 | -8000 |

| | | | | | |
|----------------|-------------------|--------------------|------|------|--------------|
| U.P. | Kanpur | Mill Quality Loose | 3200 | 3000 | 200 |
| | Mathura | Mill Quality Loose | 1500 | 2500 | -1000 |
| | Kosi | Mill Quality Loose | 1200 | 1000 | 200 |
| | Hathras | Mill Quality Loose | 500 | 550 | -50 |
| | Aligarh | Mill Quality Loose | 4000 | 4000 | Unch |
| Punjab | Khanna | Mill Quality Loose | 1000 | 800 | 200 |
| | (Ludhiana)Jagraon | Mill Quality Loose | NA | NA | - |
| Haryana | Sirsa | Mill Quality Loose | 2000 | 2000 | Unch |
| | Hodal | Mill Quality Loose | 1000 | 1000 | Unch |
| | Bhiwani | Mill Quality Loose | 500 | 300 | 200 |
| | Karnal | Mill Delivery | NA | NA | - |
| | Panipat | Mill Quality Loose | NA | NA | - |

| Wheat (CBOT) Future Price: 08.06.2020 | | | | | |
|--|-------------|-------------|------------|--------------|---------------|
| Contract Month | Open | High | Low | Close | Change |
| Jul-20 | 526.75 | 527.75 | 513.25 | 515.25 | -8.50↓ |
| Sep-20 | 530.00 | 531.25 | 518.00 | 520.25 | -7.25↓ |
| Dec-20 | 539.25 | 540.50 | 528.25 | 530.50 | -6.25↓ |
| Mar-21 | 548.25 | 549.75 | 538.00 | 540.00 | -6.25↓ |
| May-21 | 553.25 | 553.25 | 542.75 | 544.75 | -5.75↓ |
| Jul-21 | 549.75 | 550.00 | 539.75 | 542.75 | -4.25↓ |

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