

Wheat Domestic Fundamentals:

Uttar Pradesh, the country's largest wheat producing state, has fallen back in its wheat purchase target this year. The state, which has produced 360 lakh metric tonne of wheat, has so far been able to purchase barely 50% of its target in the ongoing rabi marketing season (2020-21). On June 9, the state has purchased 28.3 lakh metric tonne of the grain from 5,35,670 farmers, who have been paid more than `4,408 crore as minimum support price (MSP) at the rate of `1,925 per quintal.

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 have 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.

According to Uttarakhand Govt. Wheat harvesting is going on these days in the mountain. But the weather remains a constant villain in this work. Due to the sudden rains, tenants are facing difficulties in harvesting and mounting wheat.

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:

Farm office FranceAgriMer on Wednesday increased its forecast for French soft wheat exports outside the European Union this season to 13.45 million tonnes from the 13.3 million estimated last month. The projected exports for the 2019/20 season that ends on June 30, which would mark a record volume, would be 39.1% above 2018/19, FranceAgriMer's cereal supply and demand data showed.

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: 10.06.2020 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
20-May	0	-	-	-	1877				
20-June	0	-	-	-	1883				
20-July	0	-	-	-	1991				

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
			10-Jun-20	09-Jun-20	
Delhi	Lawrence Road	Mill Delivery	1975	1980	-5
	Narella	Mill Quality Loose	Closed	1825	-
	Nazafgarh	Mill Quality Loose	Closed	1820	-
Gujarat	Rajkot	Mill Delivery	1785	1750	35
	Ahmedabad	Mill Delivery	1890	1880	10
	Surat	Mill Delivery	1950	1930	20
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Delivery	1900	1880	20
	Bhopal	Mill Quality Loose	1750	1750	Unch
Rajasthan	Kota	Mill Quality Loose	1735	1725	10
		Mill Delivery	1850	1850	Unch
U.P.	Kanpur	Mill Delivery	2000	2000	Unch
	Mathura	Mill Quality Loose	1810	1800	10
	Kosi	Mill Quality Loose	1850	1850	Unch
	Hathras	Mill Quality Loose	1835	1850	-15
	Aligarh	Mill Quality Loose	Closed	1800	-
Punjab	Khanna	Mill Quality Loose	1850	1925	-75

	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1900	1900	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1950	1950	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	2050	Unch
	Muzaffarpur	Mill Delivery	1925	1950	-25
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			10-Jun-20	09-Jun-20	
Gujarat	Rajkot	Lokwan	1800	1785	15
M.P.	Indore	Lokwan	NA	NA	-
	Bhopal	Lokwan	1900	1900	Unch
	Bina	Sarbati 306	Closed	2200	-
Rajasthan	Kota	Lokwan Bilty	1800	1850	-50
	Baran	Lokwan	NA	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			10-Jun-20	09-Jun-20	
Delhi	Lawrence Road	Mill Delivery	5000	8000	-3000
	Narella	Mill Quality Loose	Closed	1500	-
	Nazafgarh	Mill Quality Loose	Closed	500	-
Gujarat	Rajkot	Mill Quality Loose	3000	6000	-3000
	Dhrol	Mill Quality Loose	NR	NR	-
M.P.	Indore	Mill Quality Loose	NA	NA	-
Rajasthan	Kota	Mill Quality	50000	50000	Unch
U.P.	Kanpur	Mill Quality Loose	3100	2800	300

	Mathura	Mill Quality Loose	4000	3000	1000
	Kosi	Mill Quality Loose	600	500	100
	Hathras	Mill Quality Loose	500	800	-300
	Aligarh	Mill Quality Loose	Closed	4000	-
Punjab	Khanna	Mill Quality Loose	500	1500	-1000
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	700	500	200
	Hodal	Mill Quality Loose	500	500	Unch
	Bhiwani	Mill Quality Loose	800	1000	-200
	Karnal	Mill Delivery	30	10	20
	Panipat	Mill Quality Loose	NA	NA	-

Wheat (CBOT) Future Price: 09.06.2020					
Contract Month	Open	High	Low	Close	Change
Jul-20	512.00	514.00	500.75	504.50	-7.00↓
Sep-20	517.25	519.00	507.25	510.75	-6.50↓
Dec-20	527.50	529.25	518.00	521.25	-6.25↓
Mar-21	537.25	539.00	528.25	531.50	-5.75↓
May-21	542.25	543.75	533.75	535.75	-6.50↓
Jul-21	543.00	543.00	533.75	535.75	-6.50↓

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