

**Wheat Domestic Fundamentals:**

**Prime Minister Narendra Modi had yesterday announced the extension** of Pradhan Mantri Garib Kalyan Ann Yojana till the end of November 2020. He said that the PMGKAY scheme is extended from July till the end of November 2020. The Department of Food and PD has worked out estimated cost under TPDS @ 5 Kg per person per month for three months i.e. April-June, 2020 would entail an estimated subsidy of Rs. 44,131 crore taking the estimated Economic Cost of Rs. 26,838.40/MT for wheat (as per BE 2020-2021).

**With the efforts of Lok Sabha Speaker Om Birla, FCI will now procure wheat at Kota-Bundi Lok Sabha constituency on support price till 7 July.** The Food-Public Distribution Ministry has issued its orders on Tuesday.

**India on Tuesday deployed a helicopter and a dozen drones spraying insecticide** to stop desert locusts that have spread to nine heartland states of the world's second-biggest producer of wheat. The move came after swarms invaded Gurugram, India battling its worst desert locust outbreak for decades, pressed into service 12 drones to track the movement of locusts and spray insecticides on the swarms.

**In Uttar Pradesh, Farmers in the faced difficulty in getting support price of government wheat this time.** The administration here has failed to achieve the target set for wheat procurement. So far, only 63 per cent of wheat has been procured in the Unnao district, 65.11 percent in Balrampur and 73 Percent in Badaun district.

**According to Rajasthan Government, Despite the lockdown, the food department has procured 21.61 lakh metric tonne of wheat in just 73 days, setting a new record of highest ever procurement.** So far, Wheat worth Rs. 4,160 crore has been purchased, the average procurement of Wheat per day last year was 13,187 metric tonnes, whereas this year, 29,605 metric tonne of wheat was purchased daily, which was two-and-a-half times more than that last year.

**As per the Food Corporation of India report dated 28.06.2020,** FCI currently has 550.31 LMT wheat.

**Indore bench of Madhya Pradesh High Court has directed state government to transport wheat procured from farmers to warehouses or other locations before rainy season approaches.**

**According to CEO District Cooperative Bank, District Shajapur, "At present, 3,000 metric tonnes of the wheat crop has been damaged in 25-30 wheat procurement centres in Shajapur district. The damage might have happened due to the commencement of monsoon in the state and negligence of contractors or officers."** The wheat held in those storage facilities was meant for the purpose of being sent to the fair price shops, but now the whole quantity of the grains has been left rotten.

**In Uttar Pradesh, The Meteorological Department had issued an alert on June 24 and 25** expressing the possibility of rain. Even after the alert, the PCF and marketing department did not sleep and wheat remained under the open sky at the purchasing centres. Some wheat remained safe under roofs but wheat was not protected due to lack of space at some purchasing centres.

**In view of the increasing infection of the corona virus, due to the lockdown,** this time the wheat procurement in the Prayagraj district started from April 15 instead of April 1. After nearly two and a half months have passed, it has become a headache for the marketing department officials to not meet even half of the target set. Due to poor yield, most of the farmers are not going to the purchasing centre to sell wheat this time. At the same time, wheat procurement is being affected due to thinning of wheat due to storms, water and hail.

**The government's wheat procurement has touched an all-time record of 38.2 million tonnes** so far in the 2020-21 marketing year, with Madhya Pradesh surpassing Punjab as the country's biggest wheat procuring state.

**International Market Update:**

**Ukraine wheat output in 2020-21 is forecast to decline by 15% from** the previous year due to dryness in key production regions, according to US Department of Agriculture (USDA). The USDA expects wheat production to drop to 24.7 million tonnes in 2020-21 from 29.1 million tonnes in 2019-20. The report also projects an 8% decrease in barley production, to 8.7 million tonnes from 9.5 million tonnes.

**Wheat for July delivery fell 0.5% to \$4.81 1/4 a bushel** on the Chicago Board of Trade Friday as the weather outlook for the U.S. Corn Belt continues to support crop growth.

**China will see a bumper harvest of grains this summer thanks to stable grain acreage and improved crop yields,** the Ministry of Agriculture and Rural Affairs said Monday. Summer grain acreage is 400 million mu (about 26.67 million hectares) this year. As of Monday, 90 percent of summer grains have been harvested. The quality of

Wheat Futures Contract: NCDEX Price							Date: 02.07.2020 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
20-July	0	-	-	-	1909				
20-Aug	0	-	-	-	1917				
20-Sep	0	-	-	-	1917				

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 02

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			02-Jul-20	01-Jul-20	
Delhi	Lawrence Road	Mill Delivery	2000	1995	5
	Narella	Mill Quality Loose	1830	Closed	-
	Nazafgarh	Mill Quality Loose	1800	Closed	-
Gujarat	Rajkot	Mill Delivery	1850	1840	10
	Ahmedabad	Mill Delivery	1920	1910	10
	Surat	Mill Delivery	1960	1960	Unch
	Dhrol	Mill Quality Loose	NA	1835	-
M.P.	Indore	Mill Delivery	1870	1950	-80
	Bhopal	Mill Quality Loose	1800	1800	Unch
Rajasthan	Kota	Mill Quality Loose	1760	1800	-40
		Mill Delivery	1890	1900	-10
U.P.	Kanpur	Mill Delivery	2000	2000	Unch
	Mathura	Mill Quality Loose	1830	1835	-5
	Kosi	Mill Quality Loose	1800	1800	Unch
	Hathras	Mill Quality Loose	1780	1785	-5
	Aligarh	Mill Quality Loose	1820	Closed	-
Punjab	Khanna	Mill Quality Loose	1800	1830	-30

	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Delivery loose	1885	1885	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1700	1700	Unch
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
<b>Tamil Nadu</b>	Chennai	Mill Quality	2200	2200	Unch
	Madurai	Mill Quality	2257	2257	Unch
	Coimbatore	Mill Quality	2257	2257	Unch
<b>Bihar</b>	Khagariya	Mill Delivery	2000	2000	Unch
	Muzaffarpur	Mill Delivery	1935	1935	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
			02-Jul-20	01-Jul-20	
<b>Gujarat</b>	Rajkot	Lokwan	1850	1850	Unch
<b>M.P.</b>	Indore	Lokwan	2000	2150	-150
	Bhopal	Lokwan	1900	1950	-50
	Bina	Sarbati 306	2360	Closed	-
<b>Rajasthan</b>	Kota	Lokwan Bilty	2000	2000	Unch
	Baran	Lokwan	NA	NA	-

**Wheat Arrivals in Key Centers:**

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			02-Jul-20	01-Jul-20	
<b>Delhi</b>	Lawrence Road	Mill Delivery	5000	5000	Unch
	Narella	Mill Quality Loose	600	Closed	-
	Nazafgarh	Mill Quality Loose	100	Closed	-
<b>Gujarat</b>	Rajkot	Mill Quality Loose	2000	2200	-200
	Dhrol	Mill Quality Loose	NA	160	-
<b>M.P.</b>	Indore	Mill Quality Loose	3000	4000	-1000
<b>Rajasthan</b>	Kota	Mill Quality	10000	20000	-10000
<b>U.P.</b>	Kanpur	Mill Quality Loose	3800	4000	-200
	Mathura	Mill Quality Loose	2000	1500	500

	Kosi	Mill Quality Loose	1000	1200	<b>-200</b>
	Hathras	Mill Quality Loose	200	350	<b>-150</b>
	Aligarh	Mill Quality Loose	2000	Closed	-
<b>Punjab</b>	Khanna	Mill Quality Loose	500	300	<b>200</b>
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
<b>Haryana</b>	Sirsa	Mill Quality Loose	300	300	<b>Unch</b>
	Hodal	Mill Quality Loose	100	100	<b>Unch</b>
	Bhiwani	Mill Quality Loose	300	300	<b>Unch</b>
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

<b>Wheat Products Delhi</b>	<b>02-Jul-20</b>	<b>01-Jul-20</b>	<b>Change</b>
Atta (50kg) Ordinary	1040	1040	<b>Unch</b>
Maida Grade 1 (50KG)	1110	1110	<b>Unch</b>
Suji (50kg)	1160	1160	<b>Unch</b>
Chokar (50 kg)	890	890	<b>Unch</b>
Chokar (34 kg)	590	590	<b>Unch</b>
Chakki Atta (50kg)	NA	NA	-
Chakki Atta (50kg) Special	NA	NA	-
Chakki Atta (90kg) Superfine	NA	NA	-
Chakki Atta (50kg) Superfine	NA	NA	-

<b>Wheat (CBOT) Future Price: 02.07.2020</b>					
<b>Contract Month</b>	<b>Open</b>	<b>High</b>	<b>Low</b>	<b>Close</b>	<b>Change</b>
<b>Jul-20</b>	489.75	498.75	489.75	498.75	+8.75↑
<b>Sep-20</b>	492.00	499.75	489.00	498.75	+7.00↑
<b>Dec-20</b>	499.00	506.75	496.00	506.00	+7.00↑
<b>Mar-21</b>	508.00	514.25	504.00	513.50	+6.75↑
<b>May-21</b>	512.50	519.25	510.00	518.25	+6.00↑
<b>Jul-21</b>	513.75	519.25	509.75	518.25	+6.00↑

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.