

Wheat Domestic Fundamentals:

Once again, Madhya Pradesh has obtained permission to procure 135 lakh tonnes of wheat, leaving behind Punjab in wheat procurement. The central government has allowed Madhya Pradesh to purchase 135 lakh metric tonnes of wheat at the support price for 2021. The state government had proposed to purchase more than 140 lakh metric tons with the centre. At the same time, Punjab has got approval to buy 115 lakh tonnes, Haryana to buy 99 lakh tonnes, and Uttar Pradesh 55 lakh tonnes of wheat.

According to traders, the arrival of new wheat has started in Kota mandi Rajasthan. Arrival is low for now but likely to increase after the 15th of march. High temperature is expected to impact the yield by 10%.

As per trade sources, India has exported around 4 lakh tonnes Wheat in the month of Janury-2021 at an average FOB of \$263 per tonnes, higher this year and the major destinations were Bangladesh, Sri Lanka, Qatar and Nepal. Exports are likely to be at higher side as other countries are providing wheat at higher prices. High export will be going to support the domestic market in near term.

According to the Union Secretary, Department of Food & Public Distribution, A total quantity of 427.363 lakh tonnes wheat has been estimated for procurement during the forthcoming RMS 2021-22 which is 9.56 per cent more than the 389.93 lakh tonnes procured during RMS 2020-21. Wheat is a major rabi (winter-sown) crop. Harvesting starts from end of this month but picks up pace from April.

All India's weekly average prices increased by 6.87 percent to Rs. 2034.51 per quintal during the week ended 08th Mar 2021. Wheat average prices were ruling at Rs 2079.20 per quintal during 01st – 08th Mar 2020.

As per trade source, Uttar Pradesh & Bihar: After pollination, the ripening stage begins in Uttar Pradesh and Bihar. The crop is in the ripening stage (soft dough stage), where the high temperature will not affect much. The late sowing wheat crop in both states is still in the milking stage, where the high temperature will affect the granule and make them thin, which will affect the production. Production will depend on the temperature of the next ten days. At present, it is difficult to say how much production will decrease. In Madhya Pradesh and Gujarat the harvesting and Arrival started in Mandis, so the high temperature will not affect the crop, no major damage reported so far, and the crop is in good condition.

Maharashtra government estimates its agricultural production in which Wheat production is likely to be 17.85 lakhs MT. In Madhya Pradesh will start its Wheat procurement from March 22.

India is likely to harvest a record 109.24 million tonnes of wheat this year, the agriculture ministry said, further boosting stocks at government granaries that are fast running out of storage space due to more than a decade of bumper production. Wheat output in India, the world's second-biggest producer, is expected to go up by 1.3% in the crop year to June 2021, the Ministry of Agriculture and Farmers' Welfare said in its second crop forecast for 2020-21. Whereas Agriwatch estimates its wheat production estimate for MY 2020-21 will be 104 MMT.

International Market Update:

Russian wheat export prices fell last week after two weeks of growth due to lower prices in Chicago and Paris, analysts said on Tuesday. Russian wheat with 12.5% protein loading from Black Sea ports for supply in March was at \$285 a tonne free on board (FOB) at the end of last week, down \$2 from the previous week, agriculture consultancy IKAR said. Refinitiv said wheat prices fell by \$3.5 to \$283.5 per tonne.

Argentine wheat sowing is likely falling this year as farmers calculate the risk of state intervention in the market while new Chinese demand for South American feed barley is expected to induce some growers to switch crops. China's usual barley supplier Australia has been sidelined due to a bilateral trade dispute. This leaves Argentina as a key supplier, along with France and Canada, to the world's top commodities importer. Wheat and barley compete for sowing area on Argentina's Pampas grains belt. Both are planted around midyear.

Russian wheat export prices rose for the second consecutive week last week due to higher prices in Chicago and Paris, analysts said on Monday. Russian wheat with 12.5% protein loading from Black Sea ports for supply in March was at \$287 a tonne free on board (FOB) at the end of last week, up \$4 from the previous week, agriculture consultancy IKAR said. Sovecon, another Moscow consultancy, said wheat and barley prices rose by \$4 to \$284 and \$251 per tonne, respectively. Russia's wheat has recovered its competitive edge after a sell-off in the previous weeks, Sovecon said. Russia doubled its wheat export tax to 50 euros (\$60) per tonne starting from Monday. Sovecon expects the country's wheat exports to slow within the next two weeks.

Australian grain growers could seek in as Russia's beefed up wheat export taxes with a local record even still on

Wheat Futures Contract: NCDEX Price							Date: 09.03.2021 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
21-Feb	-	-	-	-	1795				
21-Mar	-	-	-	-	1801				
21-Apr	-	-	-	-	1807				

Wheat Daily Prices and Arrivals on 09.03.2021

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			09-Mar-21	08-Mar-21	
Delhi	Lawrence Road	Mill Delivery	1900	1895	5
	Narella	Mill Quality Loose	1740	1740	Unch
	Nazafgarh	Mill Quality Loose	1720	1725	-5
Gujarat	Rajkot	Mill Delivery	1795	1790	5
	Ahmedabad	Mill Delivery	1880	1880	Unch
	Surat	Mill Delivery	1925	1925	Unch
	Dhrol	Mill Quality Loose	NA	1915	-
M.P.	Indore	Mill Delivery	1830	1825	5
	Bhopal	Mill Quality Loose	1750	1750	Unch
Rajasthan	Kota	Mill Quality Loose	1740	1750	-10
		Mill Delivery	1890	1900	-10
U.P.	Kanpur	Mill Delivery	1700	1700	Unch
	Mathura	Mill Quality Loose	1715	1715	Unch
	Kosi	Mill Quality Loose	1760	1800	-40
	Hathras	Mill Quality Loose	1710	1700	10
	Aligarh	Mill Quality Loose	1690	1665	25
Punjab	Khanna	Mill Quality Loose	1780	1780	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1800	1800	Unch
	Hodal	Mill Delivery	NA	0	-
	Bhiwani	Mill Quality Loose	1780	1780	Unch
	Karnal	Mill Delivery	NA	0	-
	Panipat	Mill Quality Loose	NA	0	-
Tamil Nadu	Chennai	Mill Quality	2100	2100	Unch
	Madurai	Mill Quality	2157	2157	Unch
	Coimbatore	Mill Quality	2157	2157	Unch
Bihar	Khagariya	Mill Delivery	1800	1800	Unch
	Muzaffarpur	Mill Delivery	1800	1800	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
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Centre	Market	Variety	Prices (Rs/Qtl)		Change
			09-Mar-21	08-Mar-21	
Gujarat	Rajkot	Lokwan	1850	1850	Unch
M.P.	Indore	Lokwan	2100	2100	Unch
	Bhopal	Lokwan	1900	1900	Unch
	Bina	Sarbati 306	2500	2500	Unch
Rajasthan	Kota	Lokwan Bilty	1865	1875	-10
	Baran	Lokwan	1750	1750	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			09-Mar-21	08-Mar-21	
Delhi	Lawrence Road	Mill Delivery	7000	6500	500
	Narella	Mill Quality Loose	250	300	-50
	Nazafgarh	Mill Quality Loose	200	150	50
Gujarat	Rajkot	Mill Quality Loose	12000	13000	-1000
	Dhrol	Mill Quality Loose	NA	171	-
M.P.	Indore	Mill Quality Loose	8000	10000	-2000
Rajasthan	Kota	Mill Quality	7000	6000	1000
U.P.	Kanpur	Mill Quality Loose	900	1200	-300
	Mathura	Mill Quality Loose	300	300	Unch
	Kosi	Mill Quality Loose	1200	1000	200
	Hathras	Mill Quality Loose	120	250	-130
	Aligarh	Mill Quality Loose	250	500	-250
Punjab	Khanna	Mill Quality Loose	700	700	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	50	50	Unch
	Bhiwani	Mill Quality Loose	500	400	100
	Karnal	Mill Delivery	NA	0	-
	Panipat	Mill Quality Loose	NA	0	-

Wheat (CBOT) Future Price: 06.03.2021					
Contract Month	Open	High	Low	Close	Change
Mar-21	659.50	659.50	642.50	646.50	-7.50↓
May-21	659.75	662.75	639.50	646.50	-6.50↓
Jul-21	648.25	652.00	633.00	640.50	-2.75↓
Sep-21	647.75	650.50	632.00	640.50	-1.50↓
Dec-21	652.50	654.75	638.00	646.50	-0.50↓
Mar-22	657.00	659.00	643.00	651.50	unch

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