

Wheat Domestic Fundamentals:

The government has procured 78,392 tonnes of wheat in the first fortnight of the new procurement season, which began on March 15, 2021. The procurement has started only in Rajasthan, Gujarat, and Madhya Pradesh. It is likely to pick up pace as it takes off in Haryana, Maharashtra, Uttar Pradesh, and Uttarakhand from April 1. Punjab's procurement has been delayed to April 10 due to a spike in Covid-19 cases in the state. Last year also, Punjab had delayed procurement for ten days due to the pandemic.

Due to rising COVID-19 cases and late crop maturity, wheat procurement in Punjab has been rescheduled few days late from April 10 following the state government's request, according to the Union Food Ministry. In Haryana Wheat procurement is going to start from April 1. Under the farmer movement, the state government is looking very serious about purchasing crops this year.

The Uttar Pradesh government is gearing up to purchase wheat from farmers till their stocks last. The purchase will start from tomorrow on the fixed minimum support price (MSP) of Rs 1,975 per quintal for the 2021-22 season, an increase of Rs 50 per quintal than last year. Uttar Pradesh food commissioner said 6,000 procurement centres will be opened across the state by the Food Department and other purchasing agencies.

In Indore and Ujjain divisions of the state, wheat procurement have started from March 27 at the minimum support price.

As per the interactions with farmers 60-70% of wheat was harvested before bad weather hit the area. Color and shine of 30-40% crop standing in the field got deteriorated, which would lead to 30-40% losses on selling price for farmers. Secondly, logging due to rain increased the labour cost for harvest since logged and wet wheat on field cannot be harvested by thresher or combine harvester. Due to harvesting of wet wheat its grain temperature increases, which leads to allocation of less rates to farmers.

The weather has started changing. Clouds have reached the areas up to Delhi-NCR. Rainfall activities have started in some areas of Haryana and Punjab. In the morning, light drizzle started in the area. According to the current weather activities, it is being estimated that on 23 and 24 March most of the areas of Western Uttar Pradesh, North East Rajasthan, North Western Rajasthan, Delhi NCR, Haryana and Punjab can see rain.

The arrival of Wheat has increased in Indore, Ujjain, and Bhopal Mandis of Madhya Pradesh. Presently, Wheat is being sold up to an average of 7000 quintals per day, while farmers are also getting better prices. The arrival of new Wheat has started in Mandi for the last 20 days. Other varieties of Wheat, including Sharbati, Lokvan, are also coming on sale. Due to this, the figure has reached beyond seven thousand quintals.

FCI has made the following changes in wheat procurement policy. The moisture content decreased from 14% to 12%, foreign matter content has decreased from 0.75% to 0.50% and damage wheat content decreased from 4% to 2%. So that wheat can be exported.

Haryana state government will start the procurement of wheat from April 1. If a transporter does not lift the crop from the market in 48 hours, then a fine will be imposed on him.

International Market Update:

Ukrainian wheat export prices have fallen to five-month lows due to limited demand from exporters and a global downward trend, analysts at consultancy APK-Inform said on Wednesday. Asking prices for 12.5% protein soft milling wheat fell to \$251-\$256 per tonne FOB Black Sea as of March 30, down \$23 from the beginning of the previous week, they said in a report. Low-quality feed wheat costs \$247-\$252 per tonne FOB.

An increase in the harvested area is expected to boost Egypt's wheat production to 9 million tonnes in the 2021-22 marketing year, according to a report from the Foreign Agricultural Service (FAS) of the US Department of Agriculture (USDA). The total harvested area is estimated at 1.4 million hectares, which compared with 1.39 million hectares in the previous year. Imports for the 2021-22 marketing year are estimated at 13.2 million tonnes, up 1.53% from the previous year. FAS Cairo forecasts Egypt's wheat consumption in 2021-22 at 21.3 million tonnes, up by almost 2.4% from 2020-21. The increase is attributed to the increase in food, seed and industrial use.

Ukrainian wheat export prices have lost around \$10 a tonne this week due to restrained demand from importers and an increase in European grain's attractiveness, APK-Inform agriculture consultancy said on Thursday. The expected improvement in the state of winter crops in the United States and the Black Sea region due to heavy rainfall

Wheat Futures Contact: NCDEX Price							Date: 03.04.2021 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	Open Int.	Ch. From previous day
21-Apr	-	-	-	-	1838				
21-May	-	-	-	-	1844				
21-Jun	-	-	-	-	1849				

Wheat Daily Prices and Arrivals on 02.04.2021

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			03-Apr-21	02-Apr-21	
Delhi	Lawrence Road	Mill Delivery	1900	1880	20
	Narella	Mill Quality Loose	1690	1700	-10
	Nazafgarh	Mill Quality Loose	1750	1770	-20
Gujarat	Rajkot	Mill Delivery	1715	1720	-5
	Ahmedabad	Mill Delivery	1810	1810	Unch
	Surat	Mill Delivery	1850	1850	Unch
	Dhrol	Mill Quality Loose	NA	0	-
M.P.	Indore	Mill Delivery	Closed	Closed	-
	Bhopal	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality Loose	1680	1625	55
		Mill Delivery	1830	1820	10
U.P.	Kanpur	Mill Delivery	NR	1680	-
	Mathura	Mill Quality Loose	1700	1735	-35
	Kosi	Mill Quality Loose	1680	1700	-20
	Hathras	Mill Quality Loose	1725	1720	5
	Aligarh	Mill Quality Loose	1690	1700	-10
Punjab	Khanna	Mill Quality Loose	Closed	Closed	-
	Ludhiana (Jagraon)	Mill Delivery	NA	0	-
Haryana	Sirsa	Mill Delivery loose	1840	1850	-10
	Hodal	Mill Delivery	0	0	Unch
	Bhiwani	Mill Quality Loose	Closed	Closed	-
	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	1600	1600	Unch
	Muzaffarpur	Mill Delivery	1650	1650	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	0	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	0	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			03-Apr-21	02-Apr-21	
Gujarat	Rajkot	Lokwan	1800	1800	Unch
M.P.	Indore	Lokwan	Closed	Closed	-
	Bhopal	Lokwan	Closed	Closed	-
	Bina	Sarbati 306	Closed	Closed	-
Rajasthan	Kota	Lokwan Bilty	1805	1750	55
	Baran	Lokwan	1880	1880	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			03-Apr-21	02-Apr-21	
Delhi	Lawrence Road	Mill Delivery	5000	5000	Unch
	Narella	Mill Quality Loose	200	120	80
	Nazafgarh	Mill Quality Loose	500	800	-300
Gujarat	Rajkot	Mill Quality Loose	25000	25000	Unch
	Dhrol	Mill Quality Loose	NA	0	-
M.P.	Indore	Mill Quality Loose	Closed	Closed	-
Rajasthan	Kota	Mill Quality	50000	52000	-2000
U.P.	Kanpur	Mill Quality Loose	NR	500	-
	Mathura	Mill Quality Loose	1500	750	750
	Kosi	Mill Quality Loose	500	300	200
	Hathras	Mill Quality Loose	100	15	85
	Aligarh	Mill Quality Loose	700	500	200
Punjab	Khanna	Mill Quality Loose	Closed	Closed	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	0	-
Haryana	Sirsa	Mill Quality Loose	500	500	Unch
	Hodal	Mill Quality Loose	70	100	-30
	Bhiwani	Mill Quality Loose	Closed	Closed	-
	Karnal	Mill Delivery	NA	0	-
	Panipat	Mill Quality Loose	NA	0	-

Wheat (CBOT) Future Price: 01.04.2021					
Contract Month	Open	High	Low	Close	Change
May-21	577.75	582.00	559.00	565.00	-10.75↓
Jul-21	585.00	587.75	565.75	572.00	-9.75↓
Sep-21	591.50	594.75	572.75	578.75	-9.75↓
Dec-21	600.00	604.00	582.75	589.00	-9.50↓
Mar-22	611.00	611.00	593.00	598.50	-8.75↓
May-22	605.00	608.75	598.75	604.25	-6.75↓
Jul-22	598.00	600.00	578.50	595.25	+0.75↑

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