

Wheat Domestic Fundamentals:

The wheat procurement that started on April 1 in the state came to a halt on Thursday as the commission agents (arhtiyas) started their indefinite strike against the direct benefit transfer (DBT) mode of payment to farmers.

A dust storm followed by rain hit several Punjab Tuesday night areas affecting standing crops over 11,645 hectares in at least four districts. The storm is likely to hit crop yield in the affected area by 2 to 3%. According to the Department of Agriculture, the districts where the crop has been affected are Ludhiana, Fatehgarh Sahib, Bathinda, and Mohali. This damage is to crop covering 0.33% of the total area under wheat in Punjab, said the report. In Ludhiana, the damage is the maximum around 6,275-hectare area under wheat the yield might be affected by 1 to 1.5% in this area.

Wheat procurement for Rabi 2021-22 has started smoothly in the procuring states of Haryana, U.P., M.P., Rajasthan, and Gujarat 3,49,786 MTs of Wheat (up to 05.04.2021) against last year corresponding purchase of 60 M.T.

Possibility of hailstorm with heavy rains at many places from Jammu and Kashmir to Uttarakhand. Heatwave is likely in the southern districts of Rajasthan, Vidarbha, Gujarat, and Madhya Pradesh. Light rain is accompanied by dust storms in Punjab, Haryana, Maharashtra, Chhattisgarh, Telangana, and South. Madhya Pradesh may receive rain at the end of the week

The Haryana government has relaxed procurement norms allowing farmers to bring their produce to mandis without schedule but most wheat reaching in the grain markets do not fit the procurement guidelines. Farmers reaching the mandis said that procurement agencies did not procure their produce due to higher moisture content and wheat crop is being scattered in mandis to bring down the moisture content to the permissible limit of 12%.

The Federation of Arhtiyas' Associations of Punjab in its 'Mandi Bachao Mahasammelan' at Bagha Purana announced that the arhtiyas will not purchase the rabi Wheat this season if the new payment mode is not withdrawn. The arhtiyas also demanded release of pending of ₹131 crore from state government.

As per trade sources, India has exported around 3.70 lakh tonnes Wheat in the month of February-2021 at an average FOB of \$263 per tonnes, higher this year and the major destinations were Bangladesh, Malaysia, Oman, 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 trades source, Government procurement of wheat at minimum support price continues. By Friday, 62 thousand tonnes of wheat had been purchased in eight districts of Indore division. In between, there was a shopping holiday at the shopping centers on Saturday and Sunday and now the purchase has started again from Monday. It is likely that by Monday evening the wheat procurement figure of the division will cross one lakh tonnes.

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.

International Market Update:

Argentine farmers are expected to plant over 7.0 million hectares of wheat in 2021/22, up 4% compared to 2020/21, announced the agriculture ministry. The ministry also predicted that farmers could export as much as 14.0 MMT of wheat in 2021/22.

Farmers in Ukraine are nearly a month behind their planting schedule that usually begins at the end of February. Snow and wet conditions kept farmers out of their fields until the end of March. Russian wheat farmers are also delayed but only by about ten days. One analyst put planting 70% behind the same time last year but added that he is optimistic farmers can catch up. SovEcon raised Russia's wheat production forecast to 79.3 MMT. Ukraine's economy minister said Ukraine will not reach its 17.5 MMT wheat quota this season following slower than expected wheat exports. He noted that exports are 500,000 MT behind the predicted forecast year-to-date.

Wheat Futures Contact: NCDEX Price							Date: 10.04.2021 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	Open Int.	Ch. From previous day
21-Apr	-	-	-	-	1858				
21-May	-	-	-	-	1863				
21-Jun	-	-	-	-	1869				

Wheat Daily Prices and Arrivals on 09.04.2021

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			09-Apr-21	08-Apr-21	
Delhi	Lawrence Road	Mill Delivery	1950	1970	-20
	Narella	Mill Quality Loose	1770	1780	-10
	Nazafgarh	Mill Quality Loose	1810	1810	Unch
Gujarat	Rajkot	Mill Delivery	1715	1710	5
	Ahmedabad	Mill Delivery	1825	1810	15
	Surat	Mill Delivery	1910	1910	Unch
	Dhrol	Mill Quality Loose	NA	NA	-
M.P.	Indore	Mill Delivery	1830	1830	Unch
	Bhopal	Mill Quality Loose	1740	1750	-10
Rajasthan	Kota	Mill Quality Loose	1720	1690	30
		Mill Delivery	1870	1840	30
U.P.	Kanpur	Mill Delivery	1720	1735	-15
	Mathura	Mill Quality Loose	1700	1730	-30
	Kosi	Mill Quality Loose	1750	1750	Unch
	Hathras	Mill Quality Loose	1780	1775	5
	Aligarh	Mill Quality Loose	1740	1755	-15
Punjab	Khanna	Mill Quality Loose	Closed	Closed	-
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1975	1860	115
	Hodal	Mill Delivery	0	0	Unch
	Bhiwani	Mill Quality Loose	1860	1840	20
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
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	1700	100
	Muzaffarpur	Mill Delivery	1680	1640	40
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			09-Apr-21	08-Apr-21	
Gujarat	Rajkot	Lokwan	1850	1850	Unch
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	2025	2025	Unch
	Bina	Sarbati 306	NA	NA	-
Rajasthan	Kota	Lokwan Bilty	1845	1815	30
	Baran	Lokwan	2010	1900	110

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			09-Apr-21	08-Apr-21	
Delhi	Lawrence Road	Mill Delivery	8500	8000	500
	Narella	Mill Quality Loose	4000	3000	1000
	Nazafgarh	Mill Quality Loose	1000	1500	-500
Gujarat	Rajkot	Mill Quality Loose	13000	13000	Unch
	Dhrol	Mill Quality Loose	NA	NA	-
M.P.	Indore	Mill Quality Loose	6000	4000	2000
Rajasthan	Kota	Mill Quality	45000	45000	Unch
U.P.	Kanpur	Mill Quality Loose	1900	2000	-100
	Mathura	Mill Quality Loose	25000	22000	3000
	Kosi	Mill Quality Loose	1000	1000	Unch
	Hathras	Mill Quality Loose	1000	1000	Unch
	Aligarh	Mill Quality Loose	3000	2000	1000
Punjab	Khanna	Mill Quality Loose	Closed	Closed	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	10000	300	9700
	Hodal	Mill Quality Loose	100000	200000	-100000
	Bhiwani	Mill Quality Loose	500	600	-100
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat (CBOT) Future Price: 08.04.2021					
Contract Month	Open	High	Low	Close	Change
May-21	618.00	631.50	616.00	628.75	+12.50↑
Jul-21	618.00	631.75	616.25	630.50	+14.50↑
Sep-21	620.50	633.50	618.50	632.00	+13.75↑
Dec-21	625.25	638.75	623.75	636.75	+13.25↑
Mar-22	630.50	642.50	630.50	640.75	+12.50↑
May-22	634.00	640.25	633.25	639.00	+10.75↑
Jul-22	618.00	631.50	616.00	628.75	+12.50↑

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