

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at Bagha Purana announced that the arhtiyas will not purchase the rabi Wheat this season if the new payment mode is not withdrawn.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.

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:

Wheat prices fell across all major exporting countries since last month's WASDE with improved winter wheat conditions in several key production regions. Furthermore, some importers are delaying purchases awaiting the upcoming harvest in anticipation of lower new crop prices. The biggest reduction over the past month has been for Russia, where crop prospects have improved, and export quotes have eased amid the current export policies, including the announcement of floating taxes for the new crop year. Its quotes are currently the most competitive. EU quotes have also eased and remain slightly above Russia. Argentine quotes have fallen modestly with slowing farmer sales. Australian quotes have edged somewhat lower with new supplies but remain supported by strong demand from Asian markets. Quotes from Canada are currently the highest among major suppliers.

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

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 10.04.2021

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			10-Apr-21	09-Apr-21	
Delhi	Lawrence Road	Mill Delivery	1960	1950	10
	Narella	Mill Quality Loose	1770	1770	Unch
	Nazafgarh	Mill Quality Loose	1810	1810	Unch
Gujarat	Rajkot	Mill Delivery	1720	1715	5
	Ahmedabad	Mill Delivery	1840	1825	15
	Surat	Mill Delivery	1935	1910	25
	Dhrol	Mill Quality Loose	NA	0	-
M.P.	Indore	Mill Delivery	Closed	1830	-
	Bhopal	Mill Quality Loose	Closed	1740	-
Rajasthan	Kota	Mill Quality Loose	1725	1720	5
		Mill Delivery	1875	1870	5
U.P.	Kanpur	Mill Delivery	1700	1720	-20
	Mathura	Mill Quality Loose	1725	1700	25
	Kosi	Mill Quality Loose	1725	1750	-25
	Hathras	Mill Quality Loose	1780	1780	Unch
	Aligarh	Mill Quality Loose	1735	1740	-5
Punjab	Khanna	Mill Quality Loose	Closed	Closed	-
	Ludhiana (Jagraon)	Mill Delivery	NA	0	-
Haryana	Sirsa	Mill Delivery loose	1975	1975	Unch
	Hodal	Mill Delivery	0	0	Unch
	Bhiwani	Mill Quality Loose	1860	1860	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	1680	1680	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	0	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	0	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			10-Apr-21	09-Apr-21	
Gujarat	Rajkot	Lokwan	1850	1850	Unch
M.P.	Indore	Lokwan	Closed	2000	-
	Bhopal	Lokwan	Closed	2025	-
	Bina	Sarbati 306	NA	NA	-
Rajasthan	Kota	Lokwan Bilty	1850	1845	5
	Baran	Lokwan	2170	2010	160

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			10-Apr-21	09-Apr-21	
Delhi	Lawrence Road	Mill Delivery	8000	8500	-500
	Narella	Mill Quality Loose	4000	4000	Unch
	Nazafgarh	Mill Quality Loose	1000	1000	Unch
Gujarat	Rajkot	Mill Quality Loose	12000	13000	-1000
	Dhrol	Mill Quality Loose	NA	0	-
M.P.	Indore	Mill Quality Loose	Closed	6000	-
Rajasthan	Kota	Mill Quality	50000	45000	5000
U.P.	Kanpur	Mill Quality Loose	1500	1900	-400
	Mathura	Mill Quality Loose	13000	25000	-12000
	Kosi	Mill Quality Loose	2000	1000	1000
	Hathras	Mill Quality Loose	500	1000	-500
	Aligarh	Mill Quality Loose	3000	3000	Unch
Punjab	Khanna	Mill Quality Loose	Closed	Closed	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	0	-
Haryana	Sirsa	Mill Quality Loose	10000	10000	Unch
	Hodal	Mill Quality Loose	100000	100000	Unch
	Bhiwani	Mill Quality Loose	500	500	Unch
	Karnal	Mill Delivery	NA	0	-
	Panipat	Mill Quality Loose	NA	0	-

Wheat (CBOT) Future Price: 09.04.2021					
Contract Month	Open	High	Low	Close	Change
May-21	628.75	646.50	627.25	638.75	+10.00↑
Jul-21	630.50	646.50	628.50	640.50	+10.00↑
Sep-21	632.50	647.00	630.75	641.50	+9.50↑
Dec-21	637.00	651.00	635.50	646.00	+9.25↑
Mar-22	640.50	653.50	639.50	649.50	+8.75↑
May-22	638.00	649.00	638.00	647.00	+8.00↑
Jul-22	628.75	646.50	627.25	638.75	+10.00↑

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