

**Wheat Domestic Fundamentals:**

**According to Government, total wheat procurement has reached 323.67 lakh tonne until May 6** of the 2021-22 rabi marketing season (April-March), up from 216 lakh tonne year-ago period. About 32.21 lakh farmers have already benefited from the ongoing rabi marketing season, procurement operations with MSP value of Rs 63,924.56 crore,' the ministry added. Procurement of wheat -- the main rabi (winter) crop -- is continuing smoothly in Punjab, Haryana, Uttar Pradesh, Madhya Pradesh, Rajasthan, Uttarakhand, Chandigarh, Himachal Pradesh, Delhi, Gujarat, Jammu & Kashmir, and Bihar.

**Punjab, the highest contributor of wheat to the Central pool over the years (barring 2020),** has already purchased 95% of its total expected procurement of 13 million tonnes (130 lakh metric tonnes) of the crop in just 26 days this year till May 5, data released by the state government showed. This, the data further shows, is 7% more than the procurement made last year in the same number of days. The Centre on Monday said wheat procurement rose over 70 per cent to 292.52 lakh tonnes so far in the ongoing 2021-22 rabi marketing season, benefitting about 28.80 lakh farmers.

**The Haryana government has decided to stop the procurement of** wheat in all mandis/procurement centres in view of the lockdown in the state from May 3-9 to check exponential surge in Covid-19 cases. "During lockdown, no procurement of wheat will be initiated in any mandis/procurement centres of the state and no gate pass shall be issued (to the farmers) for the same, an official statement said here on Sunday.

**The Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) which was announced in 2020** for three months till July, is being re-implemented given the worsening situation due to the second wave of Covid-19. Govt. will provide 5-kg additional food grains for free to PDS beneficiaries under the PMGKAY for two months -- May and June. This time, they are not providing pulses under this scheme. The government has procured 258.74 lakh tonnes of wheat till 28 April 2021 so far.

**As per trade sources, India has exported around 3.98 lakh tonnes Wheat in the month** of March-2021 at an average FOB of \$269 per tonnes, higher from previous month 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.

**Amid the second wave of Covid-19 and localized lockdown announced** by some states have requested the Centre to consider releasing free food grains, similar to last year. if the government allocates wheat this year also then prices may move beneath from current level.

**Haryana Government on Monday halted the wheat procurement process in 18 mandis** of six districts of the state as these were full of procured wheat which was yet to be sent for storage, leading to a space crunch. The process in these mandis will remain suspended for the next 24 hours, as arrangements are being made to set up additional procurement centres. The state government has instructed farmers not to bring their crop to mandis till these centres are functional.

**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.

**India's wheat production estimates have been lowered to 105 million tonnes (mt)** from 109 million tonnes by USDA because of the yield being affected in central and eastern regions of the country due to the early onset of summers in states like Madhya Pradesh, east and central Uttar Pradesh, Rajasthan, and Bihar.

**The European Commission lowered its common wheat production forecast for 2021/22 to 124.8 MMT** from its initial estimate of 126.7 MMT last month. Export projections were not changed and remain at 30.0 MMT. Soft wheat ending stocks are 11.4 MMT, down from 12.9 MMT called for last month. Despite the reduction, production would be more than the 117.2 MMT produced in 2020/21.

**Ukraine's wheat harvest is expected to grow by 9.5% to 27.7 MMT this year and wheat** exports are boosted to 21.0

| Wheat Futures Contact: NCDEX Price |     |      |      |     |       |        | Date: 08.05.2021 at 5:00 PM |           |                       |
|------------------------------------|-----|------|------|-----|-------|--------|-----------------------------|-----------|-----------------------|
| Contract Month                     | +/- | Open | High | Low | Close | Volume | Ch. From previous day       | Open Int. | Ch. From previous day |
| 21-May                             | -   | -    | -    | -   | 1901  |        |                             |           |                       |
| 21-Jun                             | -   | -    | -    | -   | 1906  |        |                             |           |                       |
| 21-July                            | -   | -    | -    | -   | 1912  |        |                             |           |                       |

**Wheat Daily Prices and Arrivals on 08.05.2021**

| Centre     | Market                        | Variety             | Prices (Rs/Qtl) |           | Change |
|------------|-------------------------------|---------------------|-----------------|-----------|--------|
|            |                               |                     | 08-May-21       | 06-May-21 |        |
| Delhi      | Lawrence Road                 | Mill Delivery       | Closed          | Closed    | -      |
|            | Narella                       | Mill Quality Loose  | Closed          | Closed    | -      |
|            | Nazafgarh                     | Mill Quality Loose  | Closed          | Closed    | -      |
| Gujarat    | Rajkot                        | Mill Delivery       | Closed          | Closed    | -      |
|            | Ahmedabad                     | Mill Delivery       | Closed          | Closed    | -      |
|            | Surat                         | Mill Delivery       | Closed          | Closed    | -      |
|            | Dhrol                         | Mill Quality Loose  | NA              | NA        | -      |
| M.P.       | Indore                        | Mill Delivery       | Closed          | Closed    | -      |
|            | Bhopal                        | Mill Quality Loose  | Closed          | Closed    | -      |
| Rajasthan  | Kota                          | Mill Quality Loose  | Closed          | Closed    | -      |
|            |                               | Mill Delivery       | Closed          | Closed    | -      |
| U.P.       | Kanpur                        | Mill Delivery       | Closed          | Closed    | -      |
|            | Mathura                       | Mill Quality Loose  | Closed          | Closed    | -      |
|            | Kosi                          | Mill Quality Loose  | Closed          | Closed    | -      |
|            | Hathras                       | Mill Quality Loose  | Closed          | Closed    | -      |
|            | Aligarh                       | Mill Quality Loose  | Closed          | Closed    | -      |
| Punjab     | Khanna                        | Mill Quality Loose  | Closed          | Closed    | -      |
|            | Ludhiana (Jagraon)            | Mill Delivery       | NA              | NA        | -      |
| Haryana    | Sirsa                         | Mill Delivery loose | Closed          | Closed    | -      |
|            | Hodal                         | Mill Delivery       | Closed          | Closed    | -      |
|            | Bhiwani                       | Mill Quality Loose  | Closed          | Closed    | -      |
|            | Karnal                        | Mill Delivery       | Closed          | Closed    | -      |
|            | Panipat                       | Mill Quality Loose  | Closed          | Closed    | -      |
| Tamil Nadu | Chennai                       | Mill Quality        | Closed          | Closed    | -      |
|            | Madurai                       | Mill Quality        | Closed          | Closed    | -      |
|            | Coimbatore                    | Mill Quality        | Closed          | Closed    | -      |
| Bihar      | Khagariya                     | Mill Delivery       | 1700            | 1700      | Unch   |
|            | Muzaffarpur                   | Mill Delivery       | 1625            | 1625      | Unch   |
| FOR        | Kandla (Rajasthan-Rajkot)     | Mill Quality        | Closed          | Closed    | -      |
|            | Gandhidham (Rajasthan-Rajkot) | Mill Quality        | Closed          | Closed    | -      |

| Centre    | Market | Variety      | Prices (Rs/Qtl) |           | Change |
|-----------|--------|--------------|-----------------|-----------|--------|
|           |        |              | 08-May-21       | 06-May-21 |        |
| Gujarat   | Rajkot | Lokwan       | Closed          | Closed    | -      |
| M.P.      | Indore | Lokwan       | Closed          | Closed    | -      |
|           | Bhopal | Lokwan       | Closed          | Closed    | -      |
|           | Bina   | Sarbati 306  | Closed          | Closed    | -      |
| Rajasthan | Kota   | Lokwan Bilty | Closed          | Closed    | -      |
|           | Baran  | Lokwan       | Closed          | Closed    | -      |

**Wheat Arrivals in Key Centers:**

| Centre    | Market            | Variety            | Arrivals (Bags/Qtl) |           | Change |
|-----------|-------------------|--------------------|---------------------|-----------|--------|
|           |                   |                    | 08-May-21           | 06-May-21 |        |
| Delhi     | Lawrence Road     | Mill Delivery      | Closed              | Closed    | -      |
|           | Narella           | Mill Quality Loose | Closed              | Closed    | -      |
|           | Nazafgarh         | Mill Quality Loose | Closed              | Closed    | -      |
| Gujarat   | Rajkot            | Mill Quality Loose | Closed              | Closed    | -      |
|           | Dhrol             | Mill Quality Loose | NA                  | NA        | -      |
| M.P.      | Indore            | Mill Quality Loose | Closed              | Closed    | -      |
| Rajasthan | Kota              | Mill Quality       | Closed              | Closed    | -      |
| U.P.      | Kanpur            | Mill Quality Loose | Closed              | Closed    | -      |
|           | Mathura           | Mill Quality Loose | Closed              | Closed    | -      |
|           | Kosi              | Mill Quality Loose | Closed              | Closed    | -      |
|           | Hathras           | Mill Quality Loose | Closed              | Closed    | -      |
|           | Aligarh           | Mill Quality Loose | Closed              | Closed    | -      |
| Punjab    | Khanna            | Mill Quality Loose | Closed              | Closed    | -      |
|           | (Ludhiana)Jagraon | Mill Quality Loose | NA                  | NA        | -      |
| Haryana   | Sirsa             | Mill Quality Loose | Closed              | Closed    | -      |
|           | Hodal             | Mill Quality Loose | Closed              | Closed    | -      |
|           | Bhiwani           | Mill Quality Loose | Closed              | Closed    | -      |
|           | Karnal            | Mill Delivery      | Closed              | Closed    | -      |
|           | Panipat           | Mill Quality Loose | Closed              | Closed    | -      |

| Wheat (CBOT) Future Price: 07.05.2021 |        |        |        |        |        |
|---------------------------------------|--------|--------|--------|--------|--------|
| Contract Month                        | Open   | High   | Low    | Close  | Change |
| <b>May-21</b>                         | 771.00 | 773.50 | 760.50 | 773.50 | +9.25↑ |
| <b>Jul-21</b>                         | 753.25 | 767.50 | 745.25 | 761.75 | +8.50↑ |
| <b>Sep-21</b>                         | 755.00 | 767.50 | 746.75 | 762.25 | +8.00↑ |
| <b>Dec-21</b>                         | 758.50 | 770.50 | 749.75 | 765.25 | +7.75↑ |
| <b>Mar-22</b>                         | 761.50 | 773.75 | 753.50 | 769.00 | +7.75↑ |
| <b>May-22</b>                         | 753.75 | 765.25 | 747.00 | 762.25 | +7.75↑ |

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