

Wheat Domestic Fundamentals:

According to Punjab Mandi Board (PMB) records, the state and government agencies have purchased 129.63 lakh metric tonnes (lakh MT) wheat from Punjab's mandis till May 11 this year. On Tuesday, 60,000 tonnes of wheat had arrived across the state's mandis, with the arrival of the crop likely to continue for the next few days. Over this record procurement, it may cross the 13 million tonnes procurement target set for this year.

According to a release from the FCI, the government has set the auction of good-quality wheat procured in 2021-22 marketing season at Rupees 21,500/mt (\$293/mt). In the 2020-21 marketing season, the government sold wheat slightly lower than the current prices, at Rupees 21,350/mt. The hike in fair-quality wheat is seen pushing up export prices of the grain, as most traders will turn to these auctions to purchase while most benchmark markets are shut due to COVID-19 related restrictions.

After procuring around 81 lakh MT wheat, government procurement agencies in Haryana have stopped the procurement operations in all 394 mandis. Expecting bumper produce this year, the government had increased the procurement target to 80 lakh MT against 74 lakh MT of last year. But the government figures revealed that around 83.50 lakh MT wheat arrived in mandis, and approximately 2.72 lakh MT is still lying unprocured.

According to Government, total wheat procurement has reached 337.95 lakh tonne until May 9 of the 2021-22 rabi marketing season (April-March), up from 220 lakh tonne year-ago period. About 34.08 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:

Russian wheat export prices rose in the first 10 days of May, supported by higher prices in Chicago and Paris on corn supply concerns and despite low market activity during Russia's May 1-10 official holiday, analysts said on Tuesday. Russian wheat with 12.5% protein loading from Black Sea ports for supply in June was at \$278 a tonne free on board

Wheat Futures Contact: NCDEX Price							Date: 14.05.2021 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	Open Int.	Ch. From previous day
21-May	-	-	-	-	1900				
21-Jun	-	-	-	-	1905				
21-July	-	-	-	-	1911				

Wheat Daily Prices and Arrivals on 14.05.2021

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			14-May-21	14-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	1770	1770	Unch
	Ahmedabad	Mill Delivery	1860	1860	Unch
	Surat	Mill Delivery	1970	1970	Unch
	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	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
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	0	0	Unch
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	0	0	Unch

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			14-May-21	14-May-21	
Gujarat	Rajkot	Lokwan	1900	1900	Unch
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
			14-May-21	14-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	1000	1000	Unch
	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	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat (CBOT) Future Price: 14.05.2021

Contract Month	Open	High	Low	Close	Change
Jul21	706.25	724.25	699.50	707.25	+5.75↑
Sep21	705.75	723.50	699.50	706.50	+5.25↑
Dec21	709.75	726.75	703.25	709.75	+4.25↑
Mar22	714.25	730.75	708.00	714.00	+3.75↑
May22	712.75	720.25	701.00	706.25	+3.00↑
Jul22	671.75	683.50	668.00	673.00	+1.25↑

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