

Wheat Domestic Fundamentals:

Procurement of Wheat in ongoing RMS 2021-22 is continuing smoothly in the procuring States of Haryana, Uttar Pradesh, Madhya Pradesh, Rajasthan, Himachal Pradesh, Delhi, and Jammu & Kashmir at MSP, as was done in previous seasons, and till now (up-to 29.05.2021) a quantity of over 405.47 LMT of Wheat has been procured. About 42.91 lakh farmers have already been benefitted from the ongoing RMS procurement operations.

Punjab Government and agencies have procured 132.10 lakh metric tonnes of wheat, 2 lakh metric tonnes with more than 8 lakh farmers receiving over Rs 23,000 crore directly into their bank accounts. It was the first time in Punjab that farmers were paid directly instead of through arhtiyas or middlemen.

As per ministry recent estimates, India is likely to produce higher Wheat crop in 2020-21. The country may produce 108.75 million tonnes in this season which is higher by 0.89% from 107.86 from last year record amid good monsoon rain last 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.

International Market Update:

As per WASDE recent report, beginning stocks of the world will be at 295 million metric tons (MMT) in 2021/22 lower by 2% from 2020/21 estimates, with ending stocks also projected at 295 MMT. While, global wheat production is expected to reach a record 789 MMT, global consumption is also forecast at a record 789 MMT.

There is another international tender to purchase 50,000 tonnes of milling wheat by state grains buyer of Bangladesh. The local prices of wheat and rice are high due to crop damage caused by repeated flood so the country has series of import of wheat and rice to fill its depleted reserves. Deadline for price submission is May 30.

Russian wheat export prices were steady last week for old crop while the prices are lower at Chicago and Paris. Russian wheat loading from black sea port with 12.5% protein was at \$278 per tonne free on board (FOB) at the end of last week which was same as previous week. New crop prices which will arrive this summer, were at \$272 per tonne as of the end of last week.

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

Wheat Futures Contact: NCDEX Price							Date: 1.06.2021 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	Open Int.	Ch. From previous day
21-Jun	-	-	-	-	1883				
21-July	-	-	-	-	1889				
21-Aug	-	-	-	-	1895				

Wheat Daily Prices and Arrivals on 28.05.2021

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			1-June-21	31-May-21	
Delhi	Lawrence Road	Mill Delivery	1850	1890	-40
	Narella	Mill Quality Loose	NR	NR	-
	Nazafgarh	Mill Quality Loose	NR	NR	-
Gujarat	Rajkot	Mill Delivery	1750	1740	10
	Ahmedabad	Mill Delivery	1830	1830	Unch
	Surat	Mill Delivery	1915	1915	Unch
	Dhrol	Mill Quality Loose	1725	NA	-
M.P.	Indore	Mill Delivery	1815	Closed	-
	Bhopal	Mill Quality Loose	1725	Closed	-
Rajasthan	Kota	Mill Quality Loose	1825	1780	45
		Mill Delivery	1975	1950	25
U.P.	Kanpur	Mill Delivery	1735	1740	-5
	Mathura	Mill Quality Loose	1700	1690	10
	Kosi	Mill Quality Loose	1700	1700	Unch
	Hathras	Mill Quality Loose	1700	1700	Unch
	Aligarh	Mill Quality Loose	1690	1715	-25
Punjab	Khanna	Mill Quality Loose	Closed	Closed	-
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1800	1800	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	NR	Closed	-
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2050	2050	Unch
	Madurai	Mill Quality	2107	2107	Unch
	Coimbatore	Mill Quality	2107	2107	Unch
Bihar	Khagariya	Mill Delivery	1700	1700	Unch
	Muzaffarpur	Mill Delivery	1715	1715	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	0	0	Unch

	Gandhidham (Rajasthan-Rajkot)	Mill Quality	0	0	Unch
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Centre	Market	Variety	Prices (Rs/Qtl)		Change
			1-June-21	31-May-21	
Gujarat	Rajkot	Lokwan	1900	1900	Unch
M.P.	Indore	Lokwan	2050	Closed	-
	Bhopal	Lokwan	2000	Closed	-
	Bina	Sarbati 306	NA	Closed	-
Rajasthan	Kota	Lokwan Bilty	1950	1905	45
	Baran	Lokwan	2100	2110	-10

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			1-June-21	31-May-21	
Delhi	Lawrence Road	Mill Delivery	10000	6000	4000
	Narella	Mill Quality Loose	NR	NR	-
	Nazafgarh	Mill Quality Loose	NR	NR	-
Gujarat	Rajkot	Mill Quality Loose	100	100	Unch
	Dhrol	Mill Quality Loose	401	NA	-
M.P.	Indore	Mill Quality Loose	4000	Closed	-
Rajasthan	Kota	Mill Quality	17000	15000	2000
U.P.	Kanpur	Mill Quality Loose	1800	1500	300
	Mathura	Mill Quality Loose	2000	2500	-500
	Kosi	Mill Quality Loose	1000	1500	-500
	Hathras	Mill Quality Loose	500	1600	-1100
	Aligarh	Mill Quality Loose	2000	1500	500
Punjab	Khanna	Mill Quality Loose	Closed	Closed	-
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	400	400	Unch
	Hodal	Mill Quality Loose	100	100	Unch
	Bhiwani	Mill Quality Loose	NR	Closed	-
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat (CBOT) Future Price: 31.05.2021

Contract Month	Open	High	Low	Close	Change
Jul21	676	679.75	661.25	663.5	-12.75
Sep21	679.5	683	665.5	667.25	-12.25
Dec21	686	688.75	672.75	674.75	-11.5
Mar22	692.25	694	679.75	681.75	-11.25
May22	691.25	693.5	680.5	682.5	-10
Jul22	668.75	672.5	661	665.75	-5.5

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