

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 10.06.2021) a quantity of over 421.41 LMT of Wheat has been procured. About 46.65 lakh farmers have already been benefitted with MSP value of Rs.83,228.35 crore from the ongoing RMS procurement operations. According to FCI, there were about 19,036 wheat procurement centres during the ongoing 2021-22 rabi marketing season.

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.

The government procurement agencies in Haryana have procured total 84.93 LMT consisting 6.94 LMT by FCI and 77.99 LMT by state agency. Expecting bumper produce this year, the government had increased the procurement target.

International Market Update:

According to Strategie Grains, EU may grow higher soft wheat production for 2021 at 131.1 million tonnes, against 129.6 million in May'21 and 119.4 million tonnes last year. EU soft wheat exports in 2021/22 were now expected higher at 28.6 million tonnes from 27.0 million projected last month on account of improved competitiveness on the world market.

Agriculture consultancy IKAR reduced its forecast for Russia's 2021 wheat crop from 79.5 MMT to 80 MMT. The estimate is higher by 500,000 tonnes from its last given estimates. As per analyst, Russian export prices for the summer's new wheat crop were steady last week due to a stronger rouble amid higher oil prices. Prices for new-crop Russian wheat with 12.5% protein loading from Black Sea ports and for supply at the end of July were \$256 a tonne free on board (FOB) at the end of last week, unchanged from the previous week.

As per U.S. Agriculture Department, good-to-excellent ratings for the winter wheat crop rose 2 percentage points to 50% as of June 6, 2021. Spring wheat was rated 38% good to excellent, down 5 percentage points from a week earlier.

As per Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) June'21 report, Australian winter wheat crop production in 2021-22 is likely to be above by 15% from 10 years average to 2020-21 due to increased planted area on account of favourable weather condition and good hike in global commodity prices. However it expects Australian winter wheat production to fall by 17% to 27.8 million tonnes against 33.33 million tonnes in 2020-21.

Weather Outlook: Southwest Monsoon is likely to advance into remaining parts of Maharashtra(including Mumbai), Telangana and Andhra Pradesh by 11 June; Odisha, West Bengal, Chhattisgarh, Jharkhand, Bihar, East Uttar Pradesh, some parts of Madhya Pradesh, and Gujarat state during 11-13 June, 2021. level of six years since 2014.

Wheat Futures Contract: NCDEX Price							Date: 11.06.2021 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	Open Int.	Ch. From previous day
21-Jun	-	-	-	-	1793	10	-	20	-
21-July	-	-	-	-	1843				
21-Aug	-	-	-	-	-				

Wheat Daily Prices and Arrivals on 10.06.2021

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			12-June-21	11-June-21	
Delhi	Lawrence Road	Mill Delivery	1840	1835	5
	Narella	Mill Quality Loose	NR	NR	-
	Nazafgarh	Mill Quality Loose	NR	NR	-
Gujarat	Rajkot	Mill Delivery	1720	1730	-10
	Ahmedabad	Mill Delivery	1825	1835	-10
	Surat	Mill Delivery	1925	1930	-5
	Dhrol	Mill Quality Loose	NA	1740	-
M.P.	Indore	Mill Delivery	1975	1950	25
	Bhopal	Mill Quality Loose	1780	1800	-20
Rajasthan	Kota	Mill Quality Loose	1750	1800	-50
		Mill Delivery	1900	1950	-50
U.P.	Kanpur	Mill Delivery	Closed	1710	-
	Mathura	Mill Quality Loose	Closed	1715	-
	Kosi	Mill Quality Loose	Closed	1720	-
	Hathras	Mill Quality Loose	Closed	1650	-
	Aligarh	Mill Quality Loose	Closed	1670	-
Punjab	Khanna	Mill Quality Loose	1800	1810	-10
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1800	1800	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	NR	NR	-
	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	1800	Unch
	Muzaffarpur	Mill Delivery	1800	1800	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			12-June-21	11-June-21	
Gujarat	Rajkot	Lokwan	1800	1825	-25
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	2100	2100	Unch
	Bina	Sarbati 306	NA	NA	-
Rajasthan	Kota	Lokwan Bilty	1875	1925	-50
	Baran	Lokwan	2000	2000	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			12-June-21	11-June-21	
Delhi	Lawrence Road	Mill Delivery	5000	6000	-1000
	Narella	Mill Quality Loose	NR	NR	-
	Nazafgarh	Mill Quality Loose	NR	NR	-
Gujarat	Rajkot	Mill Quality Loose	1800	2500	-700
	Dhrol	Mill Quality Loose	NA	295	-
M.P.	Indore	Mill Quality Loose	3000	5000	-2000
Rajasthan	Kota	Mill Quality	7000	7000	Unch
U.P.	Kanpur	Mill Quality Loose	Closed	1500	-
	Mathura	Mill Quality Loose	Closed	2200	-
	Kosi	Mill Quality Loose	Closed	1000	-
	Hathras	Mill Quality Loose	Closed	1000	-
	Aligarh	Mill Quality Loose	Closed	2500	-
Punjab	Khanna	Mill Quality Loose	400	500	-100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	300	300	Unch
	Hodal	Mill Quality Loose	70	50	20
	Bhiwani	Mill Quality Loose	NR	NR	-
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat (CBOT) Future Price: 11.06.2021

Contract Month	Open	High	Low	Close	Change
Jul21	682.25	688	669.5	680.75	-3
Sep21	688.25	693.75	675.5	685.75	-4
Dec21	696	701.25	682.75	693.25	-4
Mar22	702.5	707	689.25	700	-3.75
May22	706.75	708	691.75	701	-4.25
Jul22	695.75	699.75	683	693	-4.5

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