

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 13.06.2021) a quantity of over 425.77 LMT of Wheat has been procured higher against 378.43 LMT in last year in the corresponding period of time. 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: 14.06.2021 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
			14-June-21	12-June-21	
Delhi	Lawrence Road	Mill Delivery	1825	1840	-15
	Narella	Mill Quality Loose	-	-	-
	Nazafgarh	Mill Quality Loose	-	-	-
Gujarat	Rajkot	Mill Delivery	1700	1720	-20
	Ahmedabad	Mill Delivery	1800	1825	-25
	Surat	Mill Delivery	1900	1925	-25
	Dhrol	Mill Quality Loose	1710	1690	20
M.P.	Indore	Mill Delivery	1950	1975	-25
	Bhopal	Mill Quality Loose	1800	1780	20
Rajasthan	Kota	Mill Quality Loose	1760	1750	10
		Mill Delivery	1900	1900	Unch
U.P.	Kanpur	Mill Delivery	1740	Closed	-
	Mathura	Mill Quality Loose	1680	Closed	-
	Kosi	Mill Quality Loose	1670	Closed	-
	Hathras	Mill Quality Loose	1635	Closed	-
	Aligarh	Mill Quality Loose	1630	Closed	-
Punjab	Khanna	Mill Quality Loose	1800	1800	Unch
	Ludhiana (Jagraon)	Mill Delivery	-	-	-
Haryana	Sirsa	Mill Delivery loose	1775	1800	-25
	Hodal	Mill Delivery	-	-	-
	Bhiwani	Mill Quality Loose	1750	NR	-
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-
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	1780	1800	-20
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	-	-	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	-	-	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			14-June-21	12-June-21	
Gujarat	Rajkot	Lokwan	1800	1800	Unch
M.P.	Indore	Lokwan	2100	2000	100
	Bhopal	Lokwan	2200	2100	100
	Bina	Sarbati 306	NA	NA	-
Rajasthan	Kota	Lokwan Bilty	1885	1875	10
	Baran	Lokwan	1975	2000	-25

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			14-June-21	12-June-21	
Delhi	Lawrence Road	Mill Delivery	6000	5000	1000
	Narella	Mill Quality Loose	-	-	-
	Nazafgarh	Mill Quality Loose	-	-	-
Gujarat	Rajkot	Mill Quality Loose	3500	1800	1700
	Dhrol	Mill Quality Loose	308	191	117
M.P.	Indore	Mill Quality Loose	5000	3000	2000
Rajasthan	Kota	Mill Quality	8000	7000	1000
U.P.	Kanpur	Mill Quality Loose	2500	Closed	-
	Mathura	Mill Quality Loose	2000	Closed	-
	Kosi	Mill Quality Loose	1500	Closed	-
	Hathras	Mill Quality Loose	1000	Closed	-
	Aligarh	Mill Quality Loose	3000	Closed	-
Punjab	Khanna	Mill Quality Loose	600	400	200
	(Ludhiana)Jagraon	Mill Quality Loose	-	-	-
Haryana	Sirsa	Mill Quality Loose	400	300	100
	Hodal	Mill Quality Loose	50	70	-20
	Bhiwani	Mill Quality Loose	50	NR	-
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-

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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