

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 17.06.2021) a quantity of over 431.12 LMT of Wheat has been procured higher against 394.29 LMT in last year in the corresponding period of time. About 47.68 lakh farmers have already been benefitted with MSP value of Rs.84,226.97 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:

CBOT future prices made one week higher record on 21st June 2021 as USDA has reported the condition of crops below market forecasts, stoking concerns about global supplies. It rated low quality of wheat in last week in absence of good rainfall. As per recent report, only 27% of spring wheat crop was in good-to-excellent shape, a 10-point drop that was well below expectations.

Wheat export prices in Russia went down last week under pressure from approaching good crop in the Black Sea area. Wheat export may increase by 5% in Russia, Ukraine and Kazakhstan in new 2021/22 marketing season. Prices for new-crop Russian wheat with 12.5% protein loading from Black Sea ports and for supply in July were \$248 a tonne free on board (FOB) at the end of last week, down \$7 from the previous week which may boost up Russia's exports in June 2021. 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.

EU soft wheat exports reached at 25.10 million tonnes by June 20,2021 for the current season which is lower from 34.28 million tonnes in the corresponding period of time in last season. 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.

Weather Outlook: Southwest monsoon 2021 so far covered most parts of the country except parts of Rajasthan, Delhi, Haryana and Punjab. The northern Limit of southwest monsoon (NLM) continues to pass through Lat. 26°N / Long. 70°E, Barmer, Bhilwara, Dholpur, Aligarh, Meerut, Ambala and Amritsar (refer Fig 1). The salient features of monsoon progress in the 2021 is "its progress to eastern, central and adjoining northwest India earlier than normal upto 7-10 days. However, further progress over the remaining parts of country is unlikely during next 7 days.

Wheat Futures Contact: NCDEX Price							Date: 23.06.2021 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	Open Int.	Ch. From previous day
21-Jun	-	-	-	-	-	-	-	-	-
21-July	-	-	-	-	1747	-	-	-	-
21-Aug	-	-	-	-	1747	-	-	-	-

Wheat Daily Prices and Arrivals on 18.06.2021

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			23-June-21	22-June-21	
Delhi	Lawrence Road	Mill Delivery	1800	1810	-10
	Narella	Mill Quality Loose	-	-	-
	Nazafgarh	Mill Quality Loose	-	-	-
Gujarat	Rajkot	Mill Delivery	1740	1725	15
	Ahmedabad	Mill Delivery	1840	1850	-10
	Surat	Mill Delivery	1935	1930	5
	Dhrol	Mill Quality Loose	-	-	-
M.P.	Indore	Mill Delivery	1850	1850	Unch
	Bhopal	Mill Quality Loose	1700	1725	-25
Rajasthan	Kota	Mill Quality Loose	1775	1735	40
		Mill Delivery	1785	1885	-100
U.P.	Kanpur	Mill Delivery	1680	1690	-10
	Mathura	Mill Quality Loose	1650	1680	-30
	Kosi	Mill Quality Loose	1700	1700	Unch
	Hathras	Mill Quality Loose	1625	1610	15
	Aligarh	Mill Quality Loose	1640	1620	20
Punjab	Khanna	Mill Quality Loose	1800	1800	Unch
	Ludhiana (Jagraon)	Mill Delivery	-	-	-
Haryana	Sirsa	Mill Delivery loose	1730	1735	-5
	Hodal	Mill Delivery	-	-	-
	Bhiwani	Mill Quality Loose	1720	1760	-40
	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	1600	1600	Unch
	Muzaffarpur	Mill Delivery	1700	1700	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	-	-	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	-	-	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			23-June-21	22-June-21	
Gujarat	Rajkot	Lokwan	1850	1850	Unch
M.P.	Indore	Lokwan	2100	2100	Unch
	Bhopal	Lokwan	2200	2200	Unch
	Bina	Sarbati 306	-	-	-
Rajasthan	Kota	Lokwan Bilty	1900	1860	40
	Baran	Lokwan	2000	1950	50

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			23-June-21	22-June-21	
Delhi	Lawrence Road	Mill Delivery	6000	7000	-1000
	Narella	Mill Quality Loose	-	-	-
	Nazafgarh	Mill Quality Loose	-	-	-
Gujarat	Rajkot	Mill Quality Loose	2000	2200	-200
	Dhrol	Mill Quality Loose	-	-	-
M.P.	Indore	Mill Quality Loose	2000	1500	500
Rajasthan	Kota	Mill Quality	4500	7000	-2500
U.P.	Kanpur	Mill Quality Loose	2000	2500	-500
	Mathura	Mill Quality Loose	1000	500	500
	Kosi	Mill Quality Loose	500	300	200
	Hathras	Mill Quality Loose	300	500	-200
	Aligarh	Mill Quality Loose	500	800	-300
Punjab	Khanna	Mill Quality Loose	500	600	-100
	(Ludhiana)Jagraon	Mill Quality Loose	-	-	-
Haryana	Sirsa	Mill Quality Loose	200	300	-100
	Hodal	Mill Quality Loose	60	70	-10
	Bhiwani	Mill Quality Loose	500	200	300
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-

Wheat (CBOT) Future Price: 22.06.2021

Contract Month	Open	High	Low	Close	Change
Jul21	666.25	672.75	650.75	651	-10.5
Sep21	670	676.5	654.75	655	-10
Dec21	675.5	681.5	660.75	661	-9.5
Mar22	681.5	687.5	667.5	667.5	-9.25
May22	684.25	688.5	669	669.25	-9
Jul22	680	682.5	661.5	662.75	-9

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