

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 27.06.2021) a quantity of over 432.83 LMT of Wheat has been procured all time higher against 395.51 LMT in last year in the corresponding period of time. About 49.07 lakh farmers have already been benefitted with MSP value of Rs.85,483.25 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.

During the current Rabi marketing season, the government may exceed its revised wheat procurement target of 433.5 lakh tonnes. Bihar may extend procurement till July 15, 2021, perhaps raising the set value for the current season. This season, 16 lakh tonnes of wheat were transferred by rail from mandies in Punjab, Haryana, and Madhya Pradesh during the pick procurement period, resulting in a reduction in mandies oversupply and smooth procurement procedures.

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 the USDA, the HRW crop harvest in the United States is 64 percent complete in Texas, 67 percent in Oklahoma, and 30 percent in Kansas. The USDA's HRW crop condition ratings fell this week, with only 38% of the crop rated outstanding to excellent, a 10% reduction. With record-breaking high temperatures, the crop is ripening quickly. The crop in the northern and PNW growing zones is still stressed due to a lack of precipitation and heat. Next week, the weather is forecast to cool down. The SRW harvest in 2021 is still going strong, with 32 percent of the sampled crop collected so far. In Alabama, Arkansas, and Tennessee, more than half of the fields have been harvested, while in Ohio and Maryland, the first fields are being harvested.

As per APK-inform agriculture consultancy, Ukrainian heat shipment bid prices declined by \$4 a tonnes compare to last week after heavy crop size prediction. Ukraine is likely to harvest around 30 million tonnes of wheat this year against 25 million tonnes in 2020.

According to a Reuters poll, a weekly U.S. Agriculture Department report on Monday afternoon was expected to indicate that good-to-excellent ratings for the spring wheat harvest declined 2 percentage points to 25%. Analysts predict that 50 percent of the winter wheat crop will be graded good to excellent, up from 50 percent a week before.

Argentina is expected to transport 12 million tonnes of wheat in 2021/22, according to the Buenos Aires Cereals Exchange, following a higher output projection for 2021/22. Internal wheat milling should also increase by 8.3% to 6.5 million tonnes in 2021/22 under this scenario.

Weather Outlook: Monthly rainfall for the July 2021 over the country as a whole is most likely to be normal (94 to 106 % of Long Period Average (LPA)).

Wheat Futures Contact: NCDEX Price							Date: 2.07.2021 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	Open Int.	Ch. From previous day
21-July	-	-	-	-	-	-	-	-	-
21-Aug	-	-	-	-	1729	-	-	-	-
21-Sep	-	-	-	-	-	-	-	-	-

Wheat Daily Prices and Arrivals on 18.06.2021

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			3-Jul-21	2-June-21	
Delhi	Lawrence Road	Mill Delivery	1800	1800	Unch
	Narella	Mill Quality Loose	1670	1680	-10
	Nazafgarh	Mill Quality Loose	1690	1700	-10
Gujarat	Rajkot	Mill Delivery	1775	1775	Unch
	Ahmedabad	Mill Delivery	1875	1875	Unch
	Surat	Mill Delivery	1960	1960	Unch
	Dhrol	Mill Quality Loose	NA	1650	-
M.P.	Indore	Mill Delivery	1850	1850	Unch
	Bhopal	Mill Quality Loose	1750	1750	Unch
Rajasthan	Kota	Mill Quality Loose	1750	1750	Unch
		Mill Delivery	1900	1900	Unch
U.P.	Kanpur	Mill Delivery	Closed	1670	-
	Mathura	Mill Quality Loose	Closed	1650	-
	Kosi	Mill Quality Loose	Closed	1650	-
	Hathras	Mill Quality Loose	Closed	1600	-
	Aligarh	Mill Quality Loose	Closed	1600	-
Punjab	Khanna	Mill Quality Loose	1800	1800	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1730	1730	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1750	1750	Unch
	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	1600	1600	Unch
	Muzaffarpur	Mill Delivery	1650	1650	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			3-Jul-21	2-June-21	
Gujarat	Rajkot	Lokwan	1850	1850	Unch
M.P.	Indore	Lokwan	2200	2200	Unch
	Bhopal	Lokwan	2100	2100	Unch
	Bina	Sarbati 306	NA	NA	-
Rajasthan	Kota	Lokwan Bilty	1875	1875	Unch
	Baran	Lokwan	1980	1950	30

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			3-Jul-21	2-June-21	
Delhi	Lawrence Road	Mill Delivery	6500	6000	500
	Narella	Mill Quality Loose	200	200	Unch
	Nazafgarh	Mill Quality Loose	100	100	Unch
Gujarat	Rajkot	Mill Quality Loose	1500	1700	-200
	Dhrol	Mill Quality Loose	NA	99	-
M.P.	Indore	Mill Quality Loose	1500	2000	-500
Rajasthan	Kota	Mill Quality	5000	5000	Unch
U.P.	Kanpur	Mill Quality Loose	Closed	2000	-
	Mathura	Mill Quality Loose	Closed	2000	-
	Kosi	Mill Quality Loose	Closed	1200	-
	Hathras	Mill Quality Loose	Closed	600	-
	Aligarh	Mill Quality Loose	Closed	500	-
Punjab	Khanna	Mill Quality Loose	400	300	100
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	400	400	Unch
	Hodal	Mill Quality Loose	80	50	30
	Bhiwani	Mill Quality Loose	250	200	50
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	6500	6000	500

Wheat (CBOT) Future Price: 02.07.2021

Contract Month	Open	High	Low	Close	Change
Jul21	661	662	643.75	645.75	-12.75
Sep21	667	673	648.25	652.75	-12.75
Dec21	675	680.5	657	661.5	-12.25
Mar22	682.25	687.25	665	669.75	-11.25
May22	686.75	689.25	668.75	673.25	-10.25
Jul22	682	684	666.5	672	-7.75

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp> © 2021 Indian Agribusiness Systems Pvt Ltd.