

Wheat Domestic Fundamentals:

Procurement of Wheat in ongoing RMS 2021-22 is almost finished in the procuring States of Punjab, Haryana, Uttar Pradesh, Madhya Pradesh, Himachal Pradesh, Delhi, and Jammu & Kashmir while its remain continue in Rajasthan, Bihar and Gujarat at MSP, as was done in previous seasons, and till now (up-to 06.07.2021) a quantity of over 433.32 LMT of Wheat has been procured all time higher against 387.49 LMT in last year in the corresponding period of time. About 49.16 lakh farmers have already been benefitted with MSP value of Rs.85,581,02 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.

This Rabi season, government procured 132.10 LMT of wheat from Punjab, higher from MP's procurement record of 128.08 LMT in 2021-22. However, it was procured lower at 127.14 LMT from Punjab compared to 129.42 LMT in MP during 2020-21.

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:

As per USDA recent report, China is likely to produce 136 million tonnes in 2021/22 higher by 120,000 tonnes against last year record. China may import 8 million tonnes wheat in 2021/22 lower by 2 million tonnes against last year.

According to the USDA, the HRW crop harvest in the United States is 81 percent complete in Texas, 87 percent in Oklahoma, and 55 percent in Kansas. : The southern and central Great Plains showed cooler temperatures and precipitation this past week while the northern Great Plains saw sporadic rains and average temperatures. The drought worsened in the PNW with high temperatures (110-118°F / 43-48°C), which are expected to continue into next week. The SRW harvest in 2021 is still going strong, with 57 percent of the sampled crop collected so far despite rainfall in growing belts.

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.

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 Contract: NCDEX Price							Date:10.07.2021 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 05.07.2021

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			10-Jul-21	9-Jul-21	
Delhi	Lawrence Road	Mill Delivery	1810	1820	-10
	Narella	Mill Quality Loose	1700	1680	20
	Nazafgarh	Mill Quality Loose	1690	1690	Unch
Gujarat	Rajkot	Mill Delivery	1825	1825	Unch
	Ahmedabad	Mill Delivery	1891	1890	1
	Surat	Mill Delivery	1995	2000	-5
	Dhrol	Mill Quality Loose	NA	1815	-
M.P.	Indore	Mill Delivery	1850	Closed	-
	Bhopal	Mill Quality Loose	1750	Closed	-
Rajasthan	Kota	Mill Quality Loose	1740	1730	10
		Mill Delivery	1900	1880	20
U.P.	Kanpur	Mill Delivery	Closed	1690	-
	Mathura	Mill Quality Loose	Closed	1650	-
	Kosi	Mill Quality Loose	Closed	1630	-
	Hathras	Mill Quality Loose	Closed	15500	-
	Aligarh	Mill Quality Loose	Closed	1590	-
Punjab	Khanna	Mill Quality Loose	1800	1800	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1725	1725	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1740	1725	15
	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
			10-Jul-21	9-Jul-21	
Gujarat	Rajkot	Lokwan	1900	1900	Unch
M.P.	Indore	Lokwan	2200	Closed	-
	Bhopal	Lokwan	2100	Closed	-
	Bina	Sarbati 306	NA	Closed	-
Rajasthan	Kota	Lokwan Bilty	1865	1855	10
	Baran	Lokwan	1950	1940	10

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			10-Jul-21	9-Jul-21	
Delhi	Lawrence Road	Mill Delivery	6000	5500	500
	Narella	Mill Quality Loose	200	300	-100
	Nazafgarh	Mill Quality Loose	50	150	-100
Gujarat	Rajkot	Mill Quality Loose	1500	1400	100
	Dhrol	Mill Quality Loose	NA	90	-
M.P.	Indore	Mill Quality Loose	2500	Closed	-
Rajasthan	Kota	Mill Quality	4000	4500	-500
U.P.	Kanpur	Mill Quality Loose	Closed	2000	-
	Mathura	Mill Quality Loose	Closed	1800	-
	Kosi	Mill Quality Loose	Closed	1500	-
	Hathras	Mill Quality Loose	Closed	500	-
	Aligarh	Mill Quality Loose	Closed	1000	-
Punjab	Khanna	Mill Quality Loose	500	500	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	300	400	-100
	Hodal	Mill Quality Loose	50	50	Unch
	Bhiwani	Mill Quality Loose	300	200	100
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat (CBOT) Future Price: 09.07.2021

Contract Month	Open	High	Low	Close	Change
Jul21	608	612.25	606.5	608.5	-3.75
Sep21	619.75	620.75	609.5	615	-3
Dec21	628.5	629.25	618.25	623.75	-3
Mar22	637	637	626.75	632.25	-2.25
May22	640	641.75	631.75	637.5	-1.75
Jul22	636.5	641	631.5	637	-1

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.