

Wheat Domestic Fundamentals:

Wheat procurement in the ongoing RMS 2021-22 is almost complete in the procuring states of Punjab, Haryana, Uttar Pradesh, Madhya Pradesh, Himachal Pradesh, Delhi, and Jammu & Kashmir, while it continues at MSP in Rajasthan, Bihar, and Gujarat, as in previous seasons, and a total of over 433.32 LMT of Wheat has been procured all time higher against 387.4 LMT in previous seasons. The present RMS procurement operations have already benefited almost 49.16 lakh farmers with MSPs worth Rs.85,581,02 crore. This season procurement quantity is also higher compared to last four years records. During the current 2021-22 rabi marketing season, there were approximately 19,036 wheat procurement centers, according to FCI.

In the month of May, India exported 4.96 lakh tonnes of wheat. Indian wheat has recently been in high demand for export. According to the DGCIS data, India exported 227,793.50 kg. in the current fiscal year as of April 2021. In 2020-21 fiscal year, the country exported total 2.08 MMT.

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:

According to a recent report from the National Statistics Bureau, China is expected to produce 134 million tonnes of summer wheat in 2021, up 2% from 2020. However, adverse weather conditions may have an impact on the fresh crop. Heavy rains in portions of the primary producing provinces, including Shandong, Henan, Hebei, and Hubei, impacted the new crop and harmed its quality before and during harvest. While, USDA has projected its production at 136 million tonnes in 2021/22.

Due to the wet weather, French farmers harvested soft wheat at a lesser rate than previous season during the first week of July 2021, according to FranceAgriMer's weekly cereal report. Soft wheat crops were judged good or exceptional in 79 percent of cases, up from 55 percent a year ago.

Algeria bought 30,000 tonnes of origin milling wheat in an international tender at the price \$ 288 a tonnes c&f.

Weather Outlook: Fresh spell of heavy rainfall activity over northern parts of India from 17th July and continuation of ongoing enhanced rainfall activity along the west coast till 16th July.

Wheat Futures Contract: NCDEX Price							Date:14.07.2021 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
			14-Jul-21	13-Jul-21	
Delhi	Lawrence Road	Mill Delivery	1820	1800	20
	Narella	Mill Quality Loose	Closed	1750	-
	Nazafgarh	Mill Quality Loose	Closed	1710	-
Gujarat	Rajkot	Mill Delivery	1845	1830	15
	Ahmedabad	Mill Delivery	1890	1875	15
	Surat	Mill Delivery	1980	1985	-5
	Dhrol	Mill Quality Loose	NA	1730	-
M.P.	Indore	Mill Delivery	1850	1875	-25
	Bhopal	Mill Quality Loose	1725	1710	15
Rajasthan	Kota	Mill Quality Loose	1750	1725	25
		Mill Delivery	1900	1875	25
U.P.	Kanpur	Mill Delivery	1700	1675	25
	Mathura	Mill Quality Loose	1650	1650	Unch
	Kosi	Mill Quality Loose	1640	1630	10
	Hathras	Mill Quality Loose	1600	1600	Unch
	Aligarh	Mill Quality Loose	1600	1600	Unch
Punjab	Khanna	Mill Quality Loose	1780	1800	-20
	Ludhiana (Jagraon)	Mill Delivery	NA	0	-
Haryana	Sirsa	Mill Delivery loose	1725	1720	5
	Hodal	Mill Delivery	NA	0	-
	Bhiwani	Mill Quality Loose	1750	1730	20
	Karnal	Mill Delivery	NA	0	-
	Panipat	Mill Quality Loose	NA	0	-
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	1700	-50
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	0	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	0	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			14-Jul-21	13-Jul-21	
Gujarat	Rajkot	Lokwan	1900	1900	Unch
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	2200	2200	Unch
	Bina	Sarbati 306	NA	0	-
Rajasthan	Kota	Lokwan Bilty	1875	1850	25
	Baran	Lokwan	2000	2050	-50

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			14-Jul-21	13-Jul-21	
Delhi	Lawrence Road	Mill Delivery	4500	5000	-500
	Narella	Mill Quality Loose	Closed	200	-
	Nazafgarh	Mill Quality Loose	Closed	150	-
Gujarat	Rajkot	Mill Quality Loose	1400	1800	-400
	Dhrol	Mill Quality Loose	NA	79	-
M.P.	Indore	Mill Quality Loose	2500	3000	-500
Rajasthan	Kota	Mill Quality	5000	6000	-1000
U.P.	Kanpur	Mill Quality Loose	2000	1500	500
	Mathura	Mill Quality Loose	700	800	-100
	Kosi	Mill Quality Loose	500	1000	-500
	Hathras	Mill Quality Loose	300	600	-300
	Aligarh	Mill Quality Loose	500	400	100
Punjab	Khanna	Mill Quality Loose	300	500	-200
	(Ludhiana)Jagraon	Mill Quality Loose	NA	-	-
Haryana	Sirsa	Mill Quality Loose	300	200	100
	Hodal	Mill Quality Loose	120	80	40
	Bhiwani	Mill Quality Loose	200	400	-200
	Karnal	Mill Delivery	NA	-	-
	Panipat	Mill Quality Loose	NA	-	-

Wheat (CBOT) Future Price: 13.07.2021

Contract Month	Open	High	Low	Close	Change
Jul21	636.5	639.5	626	628.75	-6.25
Sep21	640.5	644.75	630.5	633.75	-7
Dec21	647	652.5	637.75	642.75	-4.5
Mar22	654.25	660	646	651	-3.5
May22	658.5	664.25	650.75	655.5	-3.5
Jul22	654	660	648.75	652	-3.5

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