

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:15.07.2021 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	-	-	-	-	1778	-	-	-	-
21-Sep	-	-	-	-	-	-	-	-	-

Wheat Daily Prices and Arrivals on 05.07.2021

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			15-Jul-21	14-Jul-21	
Delhi	Lawrence Road	Mill Delivery	1820	1820	Unch
	Narella	Mill Quality Loose	1750	Closed	-
	Nazafgarh	Mill Quality Loose	1710	Closed	-
Gujarat	Rajkot	Mill Delivery	1860	1845	15
	Ahmedabad	Mill Delivery	1910	1890	20
	Surat	Mill Delivery	2000	1980	20
	Dhrol	Mill Quality Loose	1700	1780	-80
M.P.	Indore	Mill Delivery	1850	1850	Unch
	Bhopal	Mill Quality Loose	1725	1725	Unch
Rajasthan	Kota	Mill Quality Loose	1750	1750	Unch
		Mill Delivery	1900	1900	Unch
U.P.	Kanpur	Mill Delivery	1700	1700	Unch
	Mathura	Mill Quality Loose	1695	1650	45
	Kosi	Mill Quality Loose	1610	1640	-30
	Hathras	Mill Quality Loose	1630	1600	30
	Aligarh	Mill Quality Loose	1640	1600	40
Punjab	Khanna	Mill Quality Loose	1780	1780	Unch
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1725	1725	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1730	1750	-20
	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	1700	1600	100
	Muzaffarpur	Mill Delivery	1725	1650	75
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

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

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			15-Jul-21	14-Jul-21	
Delhi	Lawrence Road	Mill Delivery	2500	4500	-2000
	Narella	Mill Quality Loose	80	Closed	-
	Nazafgarh	Mill Quality Loose	60	Closed	-
Gujarat	Rajkot	Mill Quality Loose	1200	1400	-200
	Dhrol	Mill Quality Loose	58	75	-17
M.P.	Indore	Mill Quality Loose	4000	2500	1500
Rajasthan	Kota	Mill Quality	8000	5000	3000
U.P.	Kanpur	Mill Quality Loose	3000	2000	1000
	Mathura	Mill Quality Loose	1500	700	800
	Kosi	Mill Quality Loose	2000	500	1500
	Hathras	Mill Quality Loose	300	300	Unch
	Aligarh	Mill Quality Loose	300	500	-200
Punjab	Khanna	Mill Quality Loose	300	300	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	300	300	Unch
	Hodal	Mill Quality Loose	200	120	80
	Bhiwani	Mill Quality Loose	300	200	100
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat (CBOT) Future Price: 14.07.2021

Contract Month	Open	High	Low	Close	Change
Jul21	645	645	645	645	16.25
Sep21	635	657.5	632.5	654.25	20.5
Dec21	644	666	641.25	662.25	19.5
Mar22	652.25	673	650.25	670	19
May22	655.25	676.75	655.25	674.25	18.75
Jul22	652.25	673.25	651.75	669.25	17.25

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