

Wheat Domestic Fundamentals:

Wheat procurement for the Rabi marketing season 2021-22 is nearly complete in India's various states. Wheat was procured in excess of 433.32 LMT, a record high compared to 387.4 LMT in previous seasons. With MSPs of Rs.85,581.02 crore, the current RMS procurement operations have already benefited over 49.16 lakh farmers. This season's procurement volume is also bigger than the previous four years record. According to FCI, there were approx. 19,036 wheat procurement centres during the rabi marketing season of 2021-22.

In the month of June, India exported 4.10 lakh tonnes of wheat lower against 4.96 lakh tonnes in May 2021. Indian wheat has declined in June month due higher export price. According to the DGCIS data, India exported 2.28 Lakh tonnes in the current fiscal year as of April 2021. In 2020-21 fiscal year, the country exported total 20.80 lakh tonnes.

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.

International Market Update:

According to Russia's agriculture ministry, yield of Russia is likely to reduce to 3.45 tonne per hectares as of July 20, 2021 compared to 3.47 hectares in previous year. The department has also set the export duty of wheat at \$ 31.4 per tonnes from July 28 to August 3, 2021.

In comparison to other nations, Mexico purchased the most wheat from the United States in 2020-21, totalling 3,459,200 tonnes. In 2020-21, China imported 3,212,500 tonnes of US wheat, up from 549,500 tonnes in 2019-20. In 2020-21, the Philippines imported 3,174,700 tonnes of US wheat, up from 3,141,900 tonnes in 2019-20. In 2020-21, Japan imported 2,430,900 tonnes of US wheat, down from 2,575,400 tonnes in 2019-20. South Korea rounded the top five importers of US wheat in 2020-21 purchasing 1,807,700 tonnes, up 35% from 1,340,800 tonnes in 2019-20. South Korea purchased 303,200 tonnes of hard red winter wheat, making it the seventh-largest importer of that wheat class in 2020-21.

As per traders, the Taiwan Flour Millers' Association purchased an estimated 50,000 tonnes of milling wheat from the United States in a tender which closed on 16th July 2021. The wheat was purchased in a single consignment containing a variety of wheat kinds for shipment from the Pacific Northwest coast of the United States between August 31 and September 14. A total of 26,335 tonnes of U.S. dark northern spring wheat were purchased at \$ 395.96 a tonnes FOB. Another 18,845 tonnes of hard red winter wheat of 12.5% protein was bought at \$308.27 a tonne FOB and 4,820 tonnes of soft white wheat of 10.5% protein was purchased at \$326.18 a tonne FOB.

Weather Outlook: Widespread rainfall activity with isolated heavy to very heavy falls very likely over Jammu & Kashmir, Himachal Pradesh, Uttarakhand, Punjab, Haryana, Chandigarh and Uttar Pradesh till 29th July, 2021 and reduction thereafter. Isolated extremely heavy is also likely over Himachal Pradesh & Uttarakhand on 27th & 28th and over northwest Uttar Pradesh on 27th July, 2021.

Wheat Futures Contract: NCDEX Price							Date:24.07.2021 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
			27-Jul-21	26-Jul-21	
Delhi	Lawrence Road	Mill Delivery	1875	1865	10
	Narella	Mill Quality Loose	1800	1725	75
	Nazafgarh	Mill Quality Loose	1780	1700	80
Gujarat	Rajkot	Mill Delivery	1845	1850	-5
	Ahmedabad	Mill Delivery	1975	1980	-5
	Surat	Mill Delivery	2075	2080	-5
	Dhrol	Mill Quality Loose	1920	0	1920
M.P.	Indore	Mill Delivery	1900	1900	Unch
	Bhopal	Mill Quality Loose	1725	1730	-5
Rajasthan	Kota	Mill Quality Loose	1800	1800	Unch
		Mill Delivery	1950	1950	Unch
U.P.	Kanpur	Mill Delivery	1725	1725	Unch
	Mathura	Mill Quality Loose	1715	1700	15
	Kosi	Mill Quality Loose	1700	1700	Unch
	Hathras	Mill Quality Loose	1700	1725	-25
	Aligarh	Mill Quality Loose	1680	1700	-20
Punjab	Khanna	Mill Quality Loose	1800	1800	Unch
	Ludhiana (Jagraon)	Mill Delivery	-	-	-
Haryana	Sirsa	Mill Delivery loose	1730	1730	Unch
	Hodal	Mill Delivery	0	0	Unch
	Bhiwani	Mill Quality Loose	1750	1750	Unch
	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	1700	1700	Unch
	Muzaffarpur	Mill Delivery	1780	1780	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	-	-	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	-	-	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			27-Jul-21	26-Jul-21	
Gujarat	Rajkot	Lokwan	1900	1900	Unch
M.P.	Indore	Lokwan	2200	2200	Unch
	Bhopal	Lokwan	2200	2200	Unch
	Bina	Sarbati 306	-	-	-
Rajasthan	Kota	Lokwan Bilty	1925	1925	Unch
	Baran	Lokwan	2150	2120	30

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			27-Jul-21	26-Jul-21	
Delhi	Lawrence Road	Mill Delivery	8500	10000	-1500
	Narella	Mill Quality Loose	100	1000	-900
	Nazafgarh	Mill Quality Loose	100	500	-400
Gujarat	Rajkot	Mill Quality Loose	1800	500	1300
	Dhrol	Mill Quality Loose	67	-	67
M.P.	Indore	Mill Quality Loose	4000	2500	1500
Rajasthan	Kota	Mill Quality	5000	4000	1000
U.P.	Kanpur	Mill Quality Loose	1800	2000	-200
	Mathura	Mill Quality Loose	1200	800	400
	Kosi	Mill Quality Loose	800	600	200
	Hathras	Mill Quality Loose	500	400	100
	Aligarh	Mill Quality Loose	500	1000	-500
Punjab	Khanna	Mill Quality Loose	500	200	300
	(Ludhiana)Jagraon	Mill Quality Loose	-	-	-
Haryana	Sirsa	Mill Quality Loose	300	300	Unch
	Hodal	Mill Quality Loose	100	100	Unch
	Bhiwani	Mill Quality Loose	400	500	-100
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-

Wheat (CBOT) Future Price: 26.07.2021

Contract Month	Open	High	Low	Close	Change
Sep21	684	684	665.5	677	-7
Dec21	693	693.5	675	686.75	-6.75
Mar22	700	700	682.75	694.5	-6.5
May22	694.75	698.5	685	695.75	-6.5
Jul22	683	685	673.25	681.25	-5.5
Dec22	679.25	684.75	677.75	683.75	-5.5

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