

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.85,58139, crore, the current RMS procurement operations have already benefited over 49.15 lakh farmers higher against 43.35 lakh farmers in 2020-21. 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.

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:

Wheat futures on the CBOT fell over the weekend Friday after gaining the day before. Due to concerns about global wheat supply and lower-than-expected yields in a key U.S. growing region, wheat prices have risen to a new high of 2.5 percent on 29th July 2021.

European Union soft wheat exports is kept unchanged at 30 million tonnes for 2021/22 compared to last month. EU union member countries may grow higher soft wheat production for 2021/22 at 127.7 million tonnes, against 125.8 million as estimated in June'21 and 119.4 million tonnes last year.

Argentina's wheat harvest for 2021/22 was destroyed last week, according to sources, due to early morning frosts and persistently low temperatures. So far, 99 percent of Argentina's wheat planting has been completed.

Wheat export prices in Russia rose last week due to unfavourable weather condition in key exporting countries. At the end of last week, prices for new-crop Russian wheat with 12.5 percent protein loading from Black Sea ports and for supply in August were \$248 per tonne FOB, up \$7 from the previous week. Dry weather condition in the country is affecting spring wheat. Spring wheat is being harmed by the country's dry weather. Sovecon, a Russian agriculture consultancy, reduced its prediction for Russia's wheat exports to 37.1 million tonnes in 2021/22. According to the European Commission, soft wheat exports from the European Union in the 2021/22 season, which began on July 1, had reached 624,574 tonnes by July 25. By the same week in 2020/21, the figure had dropped to 1.24 million tonnes. Spring wheat was graded 9 percent good-to-excellent in USDA weekly condition ratings, down 2 percentage points from a week earlier and 1 percentage point below the average of experts' estimates.

Weather Outlook: Current activity of Intense wet spell over Central and adjoining plains of Northwest India (West Madhya Pradesh and East Rajasthan) likely to continue till 4th August. Reduced rainfall activity over Peninsular India and adjoining Eastcentral India, Maharashtra and Gujarat state likely to continue during next 4-5 days.

Wheat Futures Contract: NCDEX Price							Date:04.08.2021 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 02.08.2021

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			04-Aug-21	3-Aug-21	
Delhi	Lawrence Road	Mill Delivery	1865	1880	-15
	Narella	Mill Quality Loose	Closed	1760	-
	Nazafgarh	Mill Quality Loose	Closed	1760	-
Gujarat	Rajkot	Mill Delivery	1810	1825	-15
	Ahmedabad	Mill Delivery	1880	1875	5
	Surat	Mill Delivery	1960	1955	5
	Dhrol	Mill Quality Loose	1840	1780	60
M.P.	Indore	Mill Delivery	-	1925	-
	Bhopal	Mill Quality Loose	-	1850	-
Rajasthan	Kota	Mill Quality Loose	1775	1780	-5
		Mill Delivery	1930	1930	Unch
U.P.	Kanpur	Mill Delivery	1725	1730	-5
	Mathura	Mill Quality Loose	1680	1700	-20
	Kosi	Mill Quality Loose	1700	1700	Unch
	Hathras	Mill Quality Loose	1700	1700	Unch
	Aligarh	Mill Quality Loose	1700	1680	20
Punjab	Khanna	Mill Quality Loose	1800	1790	10
	Ludhiana (Jagraon)	Mill Delivery	-	-	-
Haryana	Sirsa	Mill Delivery loose	1740	1740	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1780	1770	10
	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	1700	Unch
	Muzaffarpur	Mill Delivery	1725	1750	-25
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			04-Aug-21	3-Aug-21	
Gujarat	Rajkot	Lokwan	1900	1900	Unch
M.P.	Indore	Lokwan	-	2200	-
	Bhopal	Lokwan	-	2200	-
	Bina	Sarbati 306	-	NA	-
Rajasthan	Kota	Lokwan Bilty	1900	1905	-5
	Baran	Lokwan	2050	2200	-150

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			04-Aug-21	3-Aug-21	
Delhi	Lawrence Road	Mill Delivery	8000	6000	2000
	Narella	Mill Quality Loose	Closed	200	-
	Nazafgarh	Mill Quality Loose	Closed	150	-
Gujarat	Rajkot	Mill Quality Loose	1400	2200	-800
	Dhrol	Mill Quality Loose	75	63	12
M.P.	Indore	Mill Quality Loose	-	1200	-
Rajasthan	Kota	Mill Quality	700	4000	-3300
U.P.	Kanpur	Mill Quality Loose	800	1500	-700
	Mathura	Mill Quality Loose	300	500	-200
	Kosi	Mill Quality Loose	500	700	-200
	Hathras	Mill Quality Loose	100	200	-100
	Aligarh	Mill Quality Loose	700	300	400
Punjab	Khanna	Mill Quality Loose	100	500	-400
	(Ludhiana)Jagraon	Mill Quality Loose	-	-	
Haryana	Sirsa	Mill Quality Loose	300	300	Unch
	Hodal	Mill Quality Loose	50	80	-30
	Bhiwani	Mill Quality Loose	200	500	-300
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat (CBOT) Future Price: 03.08.2021

Contract Month	Open	High	Low	Close	Change
Sep21	727.5	734.75	717.75	724.5	-5
Dec21	737	745	728.25	734.75	-4.5
Mar22	745	752.5	736.25	742.75	-4.25
May22	742.5	750.25	734.75	741.75	-3.5
Jul22	716	723.5	710	715.5	-6.25
Dec22	717.75	723	711	716.25	-6.5

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