

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:

At weekend, CBOT wheat prices rose after harvest setbacks in North America, Russia, and Western Europe prompted concerns about reducing export supplies. Drought damage in North America, reduced Russian production predictions, and quality concerns over the European Union's harvest are all factors that could support CBOT prices in the coming days.

According to the Russian agriculture ministry, the country harvested 47.4 million mt of wheat from the start of the MY2021-22 and Aug. 3, 2021, down from 49.7 million mt the previous year over the same period. So far, farmers have harvested 13.8 million hectares of crop, up from 13.6 million hectares last year. Wheat yields have dropped to 34.3 kg/hectare, down from 36.6 kg/hectare in the previous year. From July 28 through August 3, 2021, the agency has set the wheat export tariff at \$31.4 per tonne. The FOB price of Russia's 12.5 percent protein wheat was \$262/mt on August 3, up 10.1 percent from \$238/mt the previous week, helped by a decreased floating export tariff of \$ 3.80/mt to \$ 31.40/mt for the period July 28-August 3, 2021. The wheat export duty remained at \$31.40 per metric ton for the period of August 4 to 10, 2021.

According to IKRA, due to low yields in the Central and Volga regions, Russia may produce 3 million MT less wheat harvest, bringing the total to 78.5 million MT. S&P Platts estimates the crop size for MY 2021-22 to be 83.8 million MT.

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.

Weather Outlook: Eastern end of the monsoon shifted closed to the foothills of the Himalayas and western end runs north of its normal Position. Increase in rainfall activity over Northeast and adjoining east India from 10th August. Subdued rainfall activity over rest parts of the country during next 5 days.

Wheat Futures Contract: NCDEX Price							Date:09.08.2021 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	-	-	-	-	1903	-	-	-	-
21-Sep	-	-	-	-	-	-	-	-	-

Wheat Daily Prices and Arrivals on 02.08.2021

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			09-Aug-21	07-Aug-21	
Delhi	Lawrence Road	Mill Delivery	1880	1880	Unch
	Narella	Mill Quality Loose	1780	1790	-10
	Nazafgarh	Mill Quality Loose	1790	1780	10
Gujarat	Rajkot	Mill Delivery	1880	1820	60
	Ahmedabad	Mill Delivery	1895	1885	10
	Surat	Mill Delivery	1990	1965	25
	Dhrol	Mill Quality Loose	1825	1795	30
M.P.	Indore	Mill Delivery	1930	1925	5
	Bhopal	Mill Quality Loose	1800	1830	-30
Rajasthan	Kota	Mill Quality Loose	1800	1800	Unch
		Mill Delivery	1950	1950	Unch
U.P.	Kanpur	Mill Delivery	1730	1740	-10
	Mathura	Mill Quality Loose	1670	1680	-10
	Kosi	Mill Quality Loose	1690	1680	10
	Hathras	Mill Quality Loose	1650	1700	-50
	Aligarh	Mill Quality Loose	1670	1700	-30
Punjab	Khanna	Mill Quality Loose	1750	1760	-10
	Ludhiana (Jagraon)	Mill Delivery	NA	-	-
Haryana	Sirsa	Mill Delivery loose	1735	1740	-5
	Hodal	Mill Delivery	NA	0	-
	Bhiwani	Mill Quality Loose	1770	1785	-15
	Karnal	Mill Delivery	NA	-	-
	Panipat	Mill Quality Loose	NA	-	-
Tamil Nadu	Chennai	Mill Quality	2150	2150	Unch
	Madurai	Mill Quality	2207	2207	Unch
	Coimbatore	Mill Quality	2207	2207	Unch
Bihar	Khagariya	Mill Delivery	1600	1700	-100
	Muzaffarpur	Mill Delivery	1625	1750	-125
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	-	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	-	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			09-Aug-21	07-Aug-21	
Gujarat	Rajkot	Lokwan	1950	1925	25
M.P.	Indore	Lokwan	2100	2200	-100
	Bhopal	Lokwan	2200	2200	Unch
	Bina	Sarbati 306	NA	0	-
Rajasthan	Kota	Lokwan Bilty	1925	1925	Unch
	Baran	Lokwan	1930	1950	-20

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			09-Aug-21	07-Aug-21	
Delhi	Lawrence Road	Mill Delivery	7000	6000	1000
	Narella	Mill Quality Loose	50	100	-50
	Nazafgarh	Mill Quality Loose	50	20	30
Gujarat	Rajkot	Mill Quality Loose	1500	1300	200
	Dhrol	Mill Quality Loose	67	84	-17
M.P.	Indore	Mill Quality Loose	1800	1000	800
Rajasthan	Kota	Mill Quality	3000	800	2200
U.P.	Kanpur	Mill Quality Loose	1000	800	200
	Mathura	Mill Quality Loose	1000	500	500
	Kosi	Mill Quality Loose	600	500	100
	Hathras	Mill Quality Loose	100	150	-50
	Aligarh	Mill Quality Loose	200	300	-100
Punjab	Khanna	Mill Quality Loose	500	400	100
	(Ludhiana)Jagraon	Mill Quality Loose	-	-	-
Haryana	Sirsa	Mill Quality Loose	300	200	100
	Hodal	Mill Quality Loose	100	50	50
	Bhiwani	Mill Quality Loose	500	200	300
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-

Wheat (CBOT) Future Price: 06.08.2021

Contract Month	Open	High	Low	Close	Change
Sep21	712.75	724.75	709.25	719	6.25
Dec21	725.25	737.75	722	733.25	8
Mar22	735	747.75	732.25	743.5	8
May22	735.75	748.25	733.25	746.5	10.25
Jul22	710	725	708.5	721.75	10.25
Dec22	712.5	730	710.75	725.25	12.25

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