

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:

CBOT wheat prices declined after rainfall in U.S. Midwest, though much of the U.S. wheat crop was already stunted from drought earlier in the year. However, Russian wheat prices increased last week amid good demand from importers and domestic buyers as well as a worsening outlook for the global crop.

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: Current spell of Weak monsoon conditions over the country likely to continue till next 5-6 days outside Northeast and adjoining east India, northern parts of Uttar Pradesh and Bihar where current activities of intense rainfall spell likely to continue during the same period.

Wheat Futures Contract: NCDEX Price							Date:10.08.2021 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	-	-	-	-	1907	-	-	-	-
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	1875	1880	-5
	Narella	Mill Quality Loose	1780	1780	Unch
	Nazafgarh	Mill Quality Loose	1790	1790	Unch
Gujarat	Rajkot	Mill Delivery	1875	1880	-5
	Ahmedabad	Mill Delivery	1895	1895	Unch
	Surat	Mill Delivery	1990	1990	Unch
	Dhrol	Mill Quality Loose	1825	1825	Unch
M.P.	Indore	Mill Delivery	1930	1930	Unch
	Bhopal	Mill Quality Loose	1800	1800	Unch
Rajasthan	Kota	Mill Quality Loose	1810	1800	10
		Mill Delivery	1960	1950	10
U.P.	Kanpur	Mill Delivery	1730	1730	Unch
	Mathura	Mill Quality Loose	1675	1670	5
	Kosi	Mill Quality Loose	1680	1690	-10
	Hathras	Mill Quality Loose	1650	1650	Unch
	Aligarh	Mill Quality Loose	1680	1670	10
Punjab	Khanna	Mill Quality Loose	1750	1750	Unch
	Ludhiana (Jagraon)	Mill Delivery	-	-	-
Haryana	Sirsa	Mill Delivery loose	1735	1735	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1770	1770	Unch
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	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	1600	Unch
	Muzaffarpur	Mill Delivery	1625	1625	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			10-Aug-21	09-Aug-21	
Gujarat	Rajkot	Lokwan	1950	1950	Unch
M.P.	Indore	Lokwan	2100	2100	Unch
	Bhopal	Lokwan	2200	2200	Unch
	Bina	Sarbati 306	NA	NA	-
Rajasthan	Kota	Lokwan Bilty	1935	1925	10
	Baran	Lokwan	1950	1930	20

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			10-Aug-21	09-Aug-21	
Delhi	Lawrence Road	Mill Delivery	7500	7000	500
	Narella	Mill Quality Loose	700	50	650
	Nazafgarh	Mill Quality Loose	300	50	250
Gujarat	Rajkot	Mill Quality Loose	1700	1500	200
	Dhrol	Mill Quality Loose	63	67	-4
M.P.	Indore	Mill Quality Loose	2000	1800	200
Rajasthan	Kota	Mill Quality	3500	3000	500
U.P.	Kanpur	Mill Quality Loose	1200	1000	200
	Mathura	Mill Quality Loose	1200	1000	200
	Kosi	Mill Quality Loose	500	600	-100
	Hathras	Mill Quality Loose	200	100	100
	Aligarh	Mill Quality Loose	500	200	300
Punjab	Khanna	Mill Quality Loose	600	500	100
	(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	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat (CBOT) Future Price: 09.08.2021

Contract Month	Open	High	Low	Close	Change
Sep21	719	723.75	708.25	711.25	-7.75
Dec21	732.75	737.5	722.5	725.25	-8
Mar22	743	747	733.5	736	-7.5
May22	747	750	736.5	740	-6.5
Jul22	719	723	711.75	717.75	-4
Dec22	717.75	724	714.75	720.25	-5

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