

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.

According to USDA, India is expected to ship more wheat in 2020-21 as a result of weaker output in the European Union, smaller crop sizes in Ukraine, and Russian government policy. China's strong demand will also assist India's export volume grow.

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:

On concerns about tightening global supply, CBOT wheat prices rose yesterday, followed by a jump in European wheat markets. Last week, Russian wheat prices rose due to strong demand from importers and domestic consumers, as well as a worse worldwide crop outlook.

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 \$267/mt at the end of last week up \$13 from the previous week. Export volume was estimated to be lower in July'21 due to delayed harvesting, but it is expected to increase between 4 and 4.5 million tonnes in August 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:11.08.2021 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	-	-	-	-	1908	-	-	-	-
21-Sep	-	-	-	-	-	-	-	-	-

Wheat Daily Prices and Arrivals on 02.08.2021

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			11-Aug-21	10-Aug-21	
Delhi	Lawrence Road	Mill Delivery	1890	1875	15
	Narella	Mill Quality Loose	Closed	1780	-
	Nazafgarh	Mill Quality Loose	Closed	1790	-
Gujarat	Rajkot	Mill Delivery	1900	1875	25
	Ahmedabad	Mill Delivery	1910	1895	15
	Surat	Mill Delivery	2000	1990	10
	Dhrol	Mill Quality Loose	1845	1825	20
M.P.	Indore	Mill Delivery	1925	1930	-5
	Bhopal	Mill Quality Loose	1800	1800	Unch
Rajasthan	Kota	Mill Quality Loose	1780	1810	-30
		Mill Delivery	1925	1960	-35
U.P.	Kanpur	Mill Delivery	1740	1730	10
	Mathura	Mill Quality Loose	1680	1675	5
	Kosi	Mill Quality Loose	1680	1680	Unch
	Hathras	Mill Quality Loose	1670	1650	20
	Aligarh	Mill Quality Loose	1710	1680	30
Punjab	Khanna	Mill Quality Loose	1780	1750	30
	Ludhiana (Jagraon)	Mill Delivery	-	-	-
Haryana	Sirsa	Mill Delivery loose	1740	1735	5
	Hodal	Mill Delivery	NA	0	-
	Bhiwani	Mill Quality Loose	1780	1770	10
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-
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	1650	1625	25
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	-	-	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	-	-	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			11-Aug-21	10-Aug-21	
Gujarat	Rajkot	Lokwan	1950	1950	Unch
M.P.	Indore	Lokwan	2100	2100	Unch
	Bhopal	Lokwan	2250	2200	50
	Bina	Sarbati 306	-	-	-
Rajasthan	Kota	Lokwan Bilty	1905	1935	-30
	Baran	Lokwan	2015	1950	65

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			11-Aug-21	10-Aug-21	
Delhi	Lawrence Road	Mill Delivery	6000	7500	-1500
	Narella	Mill Quality Loose	Closed	700	-
	Nazafgarh	Mill Quality Loose	Closed	300	-
Gujarat	Rajkot	Mill Quality Loose	1300	1700	-400
	Dhrol	Mill Quality Loose	60	63	-3
M.P.	Indore	Mill Quality Loose	1600	2000	-400
Rajasthan	Kota	Mill Quality	8000	3500	4500
U.P.	Kanpur	Mill Quality Loose	1000	1200	-200
	Mathura	Mill Quality Loose	1500	1200	300
	Kosi	Mill Quality Loose	1000	500	500
	Hathras	Mill Quality Loose	150	200	-50
	Aligarh	Mill Quality Loose	250	500	-250
Punjab	Khanna	Mill Quality Loose	500	600	-100
	(Ludhiana)Jagraon	Mill Quality Loose	-	-	-
Haryana	Sirsa	Mill Quality Loose	300	300	Unch
	Hodal	Mill Quality Loose	150	100	50
	Bhiwani	Mill Quality Loose	300	400	-100
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-

Wheat (CBOT) Future Price: 10.08.2021

Contract Month	Open	High	Low	Close	Change
Sep21	711	730	708.5	727	15.75
Dec21	724.75	742.25	722	739.5	14.25
Mar22	735.25	752.25	733	749.25	13.25
May22	740.25	754.75	738.25	752	12
Jul22	717	731	715.5	727	9.25
Dec22	721	731.5	717.75	728	7.75

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