

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. Total 49.15 lakh farmers have been benefitted. 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:

Wheat prices on the CBOT extended its gain yesterday after lower production estimates of the major exporting countries in USDA recent reports. USDA cut production estimates by 24% for Canada from its July estimates and also cut 15% for Russia on account of hot and dry condition. It also cut U.S. production estimates by 2.8% due to drought.

According to the Russian agriculture ministry, the country harvested 50.2 million MT of wheat from the start of the MY2021-22 and Aug. 3, 2021, down from 53.4 million MT the previous year over the same period. So far, farmers have harvested 14.7 million hectares of crop, up from 14.5 million hectares last 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: Scattered to fairly widespread rainfall with isolated heavy falls very likely to continue over East Uttar Pradesh & Bihar during 13th-14th August and reduction thereafter.

Wheat Daily Prices and Arrivals on 14.08.2021

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			14-Aug-21	13-Aug-21	
Delhi	Lawrence Road	Mill Delivery	1880	1900	-20
	Narella	Mill Quality Loose	1880	1870	10
	Nazafgarh	Mill Quality Loose	1825	1830	-5
Gujarat	Rajkot	Mill Delivery	1880	1900	-20
	Ahmedabad	Mill Delivery	1940	1935	5
	Surat	Mill Delivery	2030	2020	10
	Dhrol	Mill Quality Loose	NA	1865	-
M.P.	Indore	Mill Delivery	1925	1940	-15
	Bhopal	Mill Quality Loose	1825	1850	-25
Rajasthan	Kota	Mill Quality Loose	1780	1775	5
		Mill Delivery	1930	1900	30
U.P.	Kanpur	Mill Delivery	Closed	1740	-
	Mathura	Mill Quality Loose	Closed	1700	-
	Kosi	Mill Quality Loose	Closed	1670	-
	Hathras	Mill Quality Loose	Closed	1680	-
	Aligarh	Mill Quality Loose	Closed	1690	-
Punjab	Khanna	Mill Quality Loose	1800	1820	-20
	Ludhiana (Jagraon)	Mill Delivery	-	-	-
Haryana	Sirsa	Mill Delivery loose	1735	1735	Unch
	Hodal	Mill Delivery	NA	0	-
	Bhiwani	Mill Quality Loose	1790	1800	-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	1650	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			14-Aug-21	13-Aug-21	
Gujarat	Rajkot	Lokwan	1950	1950	Unch

M.P.	Indore	Lokwan	2100	2100	Unch
	Bhopal	Lokwan	2300	2300	Unch
	Bina	Sarbati 306	NA	0	-
Rajasthan	Kota	Lokwan Bilty	1905	1900	5
	Baran	Lokwan	2110	2040	70

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			14-Aug-21	13-Aug-21	
Delhi	Lawrence Road	Mill Delivery	6000	5000	1000
	Narella	Mill Quality Loose	150	200	-50
	Nazafgarh	Mill Quality Loose	100	150	-50
Gujarat	Rajkot	Mill Quality Loose	1800	1500	300
	Dhrol	Mill Quality Loose	NA	108	-
M.P.	Indore	Mill Quality Loose	1000	2700	-1700
Rajasthan	Kota	Mill Quality	4000	6000	-2000
U.P.	Kanpur	Mill Quality Loose	Closed	700	-
	Mathura	Mill Quality Loose	Closed	1300	-
	Kosi	Mill Quality Loose	Closed	1600	-
	Hathras	Mill Quality Loose	Closed	300	-
	Aligarh	Mill Quality Loose	Closed	280	-
Punjab	Khanna	Mill Quality Loose	500	200	300
	(Ludhiana)Jagraon	Mill Quality Loose	-	-	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	100	80	20
	Bhiwani	Mill Quality Loose	350	400	-50
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-

Wheat (CBOT) Future Price: 13.08.2021

Contract Month	Open	High	Low	Close	Change
Sep21	753	774.75	747.5	762.25	8.75
Dec21	763.75	786.5	759	774.25	9.5
Mar22	773.5	795.75	768.75	784	9.5
May22	775	795.5	770.75	784.25	7.25
Jul22	738	748	731	741	1.5
Dec22	736.75	746.25	735	740.75	0.75

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