

**Wheat Domestic Fundamentals:**

**The agriculture ministry's fourth advance estimate suggests wheat output has reached a record of 109.52 million tonnes in 2020-21**, 9.10 million tonnes higher than the average production estimates of 100.42 million tonnes over the previous five years. It has increased by 1.53% from 107.86 from last year record amid good monsoon rain last year. India's food grain production is projected to rise by 3.74 percent to a new high of 308.65 million tonnes in the crop year 2020-21 compared to 297.5 million tonnes in 2019-20 due to good monsoon rains last year.

**In the month of Jul'21, India export value for wheat reached 4.72 lakh tonnes higher against 4.10 lakh tonnes in June 2021.** Indian wheat export volume has also increased in Jul month despite higher FOB price. In 2020-21 fiscal year, the country exported total 20.80 lakh tonnes.

**Wheat procurement for the Rabi marketing season 2021-22 is completed in India's various states.** Wheat was procured in excess of 433.44 LMT, a record high compared to 389.93 LMT in previous seasons. Total 49.20 lakh farmers have been benefitted with MSP value of Rs.85,603.57 crore. This season's procurement volume is also higher than the previous four years record.

**The government has hiked the minimum support price for wheat by Rs 40 from Rs 1975 to Rs 2015 per quintal.** According to officials, CCEA has approved increase in MSP's of six rabi crops for 2021-22 crop year (July-June) and 2022-2023 marketing year. The cost of production of wheat is estimated at Rs 1008 per quintal. The expected returns to farmers over their cost of production are estimated to be highest for wheat and mustard.

**Wheat exports from India have increased sharply as the global supplies are affected due to lower production in Russia, Canada and USA.** In India the export of wheat during this fiscal year is expected to be somewhere around 2.5 million to 3 million due to higher demand of Indian wheat and this is higher compared to 2.08 million tons last year valued at Rs 4033.81 crore. So far India has exported 1.5 million tons of wheat. Bangladesh, Nepal, UAE, Sri Lanka, Indonesia are considered to be big buyers of Indian wheat.

**International Market Update:**

**The CBOT values of wheat continue to trade in the range not seen since the massive price spike in early 2008.** With new season, prices are moving above \$350 a tonne and close to \$380 a tonne. The markets around the world are watching how big the harvest of Australian crop will be and how much it can balance the downgrade being put up by Russian and Canadian crops.

**The Turkish government has decided to lift the import duties on wheat will subject to 0pc import duty till December 31** from 17.3-130pc previously applied. Russia and Ukraine are the major exporters of wheat to Turkey but were held back in the black sea congestion due to ongoing construction work around strait of Gallipoli.

**Saudi Arabia's main state wheat buying agency (SAGO) has issued an international tender of 360,000 tonnes of milling wheat for purchase.** They lowered the test weight requirement to 76 which would help European wheat in France and elsewhere which was damaged by late harvest rain.

**Irregular weather in Canada and Europe is resulting in the spike of price of raw materials which along with increase in freight prices is spiralling the durum wheat market completely out of control.** The price of durum has skyrocketed by approx 90% due to poor weather that has affected the quality and yield of wheat.

**According to September World Agricultural supply and demand estimates, the US wheat acreage and yield were left unchanged** but ending stocks are lowered by 12 million bushels from last month to 627 million bushels but it is down 12% from 2020 and lowest in last eight years. Exports were unchanged at 875 million bushels. World wheat 2021-22 carryout was raised by more than 4 million metric tons to 283.2 million tons, with increase in Australia and India's production.

**Weather Outlook:** Fairly widespread to widespread rainfall with isolated heavy to very heavy falls likely over Konkan & Goa, Odisha and Chhattisgarh during next 5 days. Isolated extremely heavy falls also likely over Odisha, Gujarat and Madhya Maharashtra on 13th and Konkan & Goa during 13th-14th September. Scattered to fairly widespread rainfall likely to continue over Peninsular India during next 5 days.

**Wheat Daily Prices and Arrivals**

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			11-Sep-21	10-Sep-21	
Delhi	Lawrence Road	Mill Delivery	2085	2090	-5
	Narella	Mill Quality Loose	2000	2000	Unch
	Nazafgarh	Mill Quality Loose	1980	1980	Unch
Gujarat	Rajkot	Mill Delivery	2090	2080	10
	Ahmedabad	Mill Delivery	2130	2130	Unch
	Surat	Mill Delivery	2180	2180	Unch
	Dhrol	Mill Quality Loose	2090	2115	-25
M.P.	Indore	Mill Delivery	2000	2000	Unch
	Bhopal	Mill Quality Loose	1900	1900	Unch
Rajasthan	Kota	Mill Quality Loose	1920	1900	20
		Mill Delivery	2070	2050	20
U.P.	Kanpur	Mill Delivery	1950	1950	Unch
	Mathura	Mill Quality Loose	1890	1890	Unch
	Kosi	Mill Quality Loose	1860	1860	Unch
	Hathras	Mill Quality Loose	1880	1880	Unch
	Aligarh	Mill Quality Loose	1850	1900	-50
Punjab	Khanna	Mill Quality Loose	1850	1850	Unch
	Ludhiana (Jagraon)	Mill Delivery	-	-	Unch
Haryana	Sirsa	Mill Delivery loose	1850	1850	Unch
	Hodal	Mill Delivery	-	-	-
	Bhiwani	Mill Quality Loose	1860	1860	Unch
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-
Tamil Nadu	Chennai	Mill Quality	2300	2300	Unch
	Madurai	Mill Quality	2357	2357	Unch
	Coimbatore	Mill Quality	2357	2357	Unch
Bihar	Khagariya	Mill Delivery	1900	1900	Unch
	Muzaffarpur	Mill Delivery	1900	1900	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	-	-	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	-	-	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			11-Sep-21	10-Sep-21	
Gujarat	Rajkot	Lokwan	2175	2175	Unch
M.P.	Indore	Lokwan	2300	2300	Unch
	Bhopal	Lokwan	2250	2250	Unch
	Bina	Sarbati 306	-	-	-
Rajasthan	Kota	LokwanBilty	2045	2025	20
	Baran	Lokwan	2200	2150	50

## Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			11-Sep-21	10-Sep-21	
Delhi	Lawrence Road	Mill Delivery	5000	6000	-1000
	Narella	Mill Quality Loose	250	200	50
	Nazafgarh	Mill Quality Loose	50	30	20
Gujarat	Rajkot	Mill Quality Loose	2200	1500	700
	Dhrol	Mill Quality Loose	60	88	-28
M.P.	Indore	Mill Quality Loose	1200	1000	200
Rajasthan	Kota	Mill Quality	3500	4000	-500
U.P.	Kanpur	Mill Quality Loose	800	1000	-200
	Mathura	Mill Quality Loose	1100	1200	-100
	Kosi	Mill Quality Loose	1000	2000	-1000
	Hathras	Mill Quality Loose	400	250	150
	Aligarh	Mill Quality Loose	600	1100	-500
Punjab	Khanna	Mill Quality Loose	500	400	100
	(Ludhiana)Jagraon	Mill Quality Loose	-	-	Unch
Haryana	Sirsa	Mill Quality Loose	300	300	Unch
	Hodal	Mill Quality Loose	80	80	Unch
	Bhiwani	Mill Quality Loose	400	600	-200
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-

**Wheat (CBOT) Future Price: 10.09.2021**

Contract Month	Open	High	Low	Close	Change
Sep21	682.5	683.75	673.25	675	-6.5
Dec21	692	695.75	677	688.5	-3.75
Mar22	702	706.25	687.75	699.25	-2.75
May22	706	712	695	705.25	-2
Jul22	684	693.75	678.5	689.75	5.25
Sep22	687	695.25	681.75	692.25	5.5

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