

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.

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.

The UP government has informed that Rs 40 hike in MSP of wheat won't impact the farmers as the growth of grain production in India has risen by over 35% in four years. The UP agricultural minister has said that the production of wheat in UP has increased from 28 quintals per hectare in 2016-17 to 28 quintals per hectare in 2020-21.

International Market Update:

US wheat future prices eases on Monday as global supply concerns diminishes. CBOT December soft red winter wheat settled down 1-1/2 cents at \$6.87 a bushel, KC December hard red winter wheat closed up at 3-3/4 cents at \$6.86-1/4, while MGEX spring wheat for December delivery lost 2-3/4 cents to \$8.76.

France has lowered its estimate of 2021 soft wheat production in the European Union's biggest grain grower to 36.06 million tonnes from 36.69 million last month projected due to wet summer weather. The lower forecast would still be 23.6% above last year's production and 8.1% higher than the past five years average.

Russia's wheat export price continues to grow for consecutive ninth week due to continued growth in export taxes. Russian wheat with 12.5% protein loading from Black sea ports for supply in early October at \$300 per tonne FOB has grown by \$0.5 tonnes from last week.

Japan's agriculture ministry has sought 118,771 tonnes of food quality wheat from the United states, Canada and Australia in regular tender. The date for arrival of shipment is 31st December 2021 while the loading will occur between October

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 over Odisha and Chattisgarh with isolated heavy to very heavy rainfall and isolated extremely heavy rainfall are likely over these areas on 13th with reduction thereafter. Fairly widespread to widespread rainfall likely over Konkan & Goa, Gujarat, East Rajasthan, north Madhya Maharashtra and Madhya Pradesh for next 3-4 days.

Wheat Daily Prices and Arrivals

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			14-Sep-21	13-Sep-21	
Delhi	Lawrence Road	Mill Delivery	2075	2080	-5
	Narella	Mill Quality Loose	1990	2000	-10
	Nazafgarh	Mill Quality Loose	1970	1980	-10
Gujarat	Rajkot	Mill Delivery	2050	2075	-25
	Ahmedabad	Mill Delivery	2120	2125	-5
	Surat	Mill Delivery	2170	2175	-5
	Dhrol	Mill Quality Loose	2030	-	-
M.P.	Indore	Mill Delivery	2065	2065	Unch
	Bhopal	Mill Quality Loose	1855	1855	Unch
Rajasthan	Kota	Mill Quality Loose	1925	1925	Unch
		Mill Delivery	2075	2075	Unch
U.P.	Kanpur	Mill Delivery	1940	1940	Unch
	Mathura	Mill Quality Loose	1890	1890	Unch
	Kosi	Mill Quality Loose	1820	1810	10
	Hathras	Mill Quality Loose	1850	1850	Unch
	Aligarh	Mill Quality Loose	1890	1850	40
Punjab	Khanna	Mill Quality Loose	1850	1850	Unch
	Ludhiana (Jagraon)	Mill Delivery	-	-	Unch
Haryana	Sirsa	Mill Delivery loose	1860	1860	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
			14-Sep-21	13-Sep-21	
Gujarat	Rajkot	Lokwan	2100	2150	-50
M.P.	Indore	Lokwan	2300	2300	Unch
	Bhopal	Lokwan	2200	2200	Unch
	Bina	Sarbati 306	-	-	-
Rajasthan	Kota	LokwanBilty	2050	2050	Unch
	Baran	Lokwan	2200	2200	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			14-Sep-21	13-Sep-21	
Delhi	Lawrence Road	Mill Delivery	4000	5000	-1000
	Narella	Mill Quality Loose	150	250	-100
	Nazafgarh	Mill Quality Loose	20	50	-30
Gujarat	Rajkot	Mill Quality Loose	600	2200	-1600
	Dhrol	Mill Quality Loose	-	60	-
M.P.	Indore	Mill Quality Loose	800	1200	-400
Rajasthan	Kota	Mill Quality	3000	3500	-500
U.P.	Kanpur	Mill Quality Loose	700	800	-100
	Mathura	Mill Quality Loose	1100	1100	Unch
	Kosi	Mill Quality Loose	2000	1000	1000
	Hathras	Mill Quality Loose	200	400	-200
	Aligarh	Mill Quality Loose	1100	1100	Unch
Punjab	Khanna	Mill Quality Loose	500	500	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	-	-	-
Haryana	Sirsa	Mill Quality Loose	300	300	Unch
	Hodal	Mill Quality Loose	80	80	Unch
	Bhiwani	Mill Quality Loose	500	500	Unch
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-

Wheat (CBOT) Future Price: 13.09.2021					
Contract Month	Open	High	Low	Close	Change
Sep21	671.5	674.5	671.5	674.5	-0.5
Dec21	690	690	679	687	-1.5
Mar22	699.5	700.25	689.75	697	-2.25
May22	705.75	706	695.5	702.25	-3
Jul22	689.25	691.5	681.75	690.25	0.5
Sep22	691.5	694.25	684.5	693.25	1

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