



Wheat Monthly Outlook Report-June, 21

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Domestic Monthly market dynamics- June, 21

Price trend: Monthly average wholesale wheat prices in India stood at Rs.1822.30 per quintal during the month of June-2021, down by 4.30% from Rs.1908.50 per quintal in May-2021 and down by 2.10 % a year ago. However, whole prices are ruling below MSP (Rs.1975/qtl) at all major markets in India. Wheat prices in coming months would likely to trade neutral as procurement reaches its peak and arrivals gradually come down in coming months

Wheat Market Summary - June, 21

Total arrivals-12.08 LMT

Average Price - Rs.1822.50/qtl

MSP of Wheat- Rs.1975/qtl

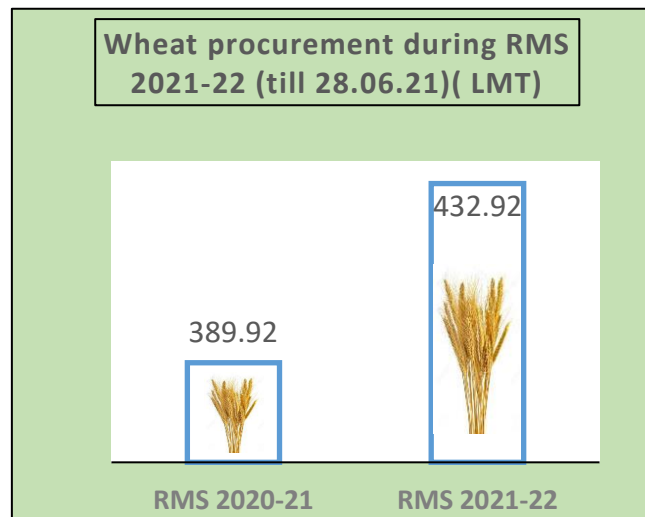
Cheapest market

Shrirampur (MH)	Rs.1190.60/qtl
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Costliest market

Pune (MH)	Rs.4332.70/qtl
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Domestic market Highlights - June, 21



According to 3rd advance estimates for 2020-21, total production of **wheat is estimated at record 108.75 million MT**, it is higher by 8.32 million MT than the last 5-years (2015-16 to 2019-20) average production of 100.42 million MT.

As on 28th June, the Food Corporation of India (FCI) and state agencies has procured 432.92 lakh MT of wheat for this current rabi market season (RMS) 2021-22 from major growing states, which is nearly 1 % higher than the targeted wheat for this season. Out of

432.90 lakh MT of wheat, around 132.10 lakh MT of wheat has been procured from Punjab (32 %), followed by Madhya Pradesh (31%) and Haryana (20.1 %).

During June-21 contract of CBOT future prices of wheat for September -21 was dipped by \$120/ Bushels to \$644 form \$764/ bushels.

Supply and Demand - India, 2020-21

Sl.no	Particulars (Fig. in MMT)	India	
		2020-21	2021-22
1	Opening stocks	24.30	27.10
2	Production	107.90	110.70
3	Imports	0.1	0.10
4	Total availability (1+2+3)	132.30	137.90
5	Consumption	103.00	105.90
6	Exports	2.2	2
7	Total usage (5+6)	105.00	107.40
8	Ending stocks	27.10	30.00
9	Average.monthly consumption	8.58	8.78

Source: IGC, (as on 27.05.2021)

As per International grain council, India's wheat production for 2021-22 is forecasted at 110.70 MMT compared to 107.90 MMT in 2020-21. Higher production is expecting in 2021-22 due to increase in yield and area. Over all consumption may be increase by 2.90 MMT in 2021-22 from 103 MMT.

Percentage growth in monthly arrivals and prices of Wheat in India

Date	Prices			Arrivals		
	Rs./qtl	P-o-P % change	Y-o-Y % change	Metric Tonnes	P-o-P % change	Y-o-Y % change
June-21	1,822.30	▼ 4.50	▼ 2.10	1,208,422.40	▼ 55.00	▼ 41.20
May-21	1,908.10	▲ 1.30	▲ 0.20	2,687,785.50	▼ 73.80	▼ 58.60
Apr-21	1,883.80	▲ 7.60	▼ 3.30	10,266,758.80	▲ 644.90	▲ 201.40
Mar-21	1,751.00	▲ 1.30	▼ 9.50	1,378,224.50	▲ 89.90	▲ 52.90
Feb-21	1,728.80	▼ 0.50		725,753.60	▲ 24.10	
Jan-21	1,737.00	▲ 4.20	▼ 18.10	584,696.90	▲ 22.40	▲ 26.80

Since May-21, wheat arrivals dipped strongly by 128 percent as against April-21. When compared to last year, wheat arrivals are not reaching their monthly arrivals in all the months. During June-21, Wheat wholesale prices have been declined by 4.50 percent from Rs1908.10 to Rs1822.30 per quintal as against May-21.

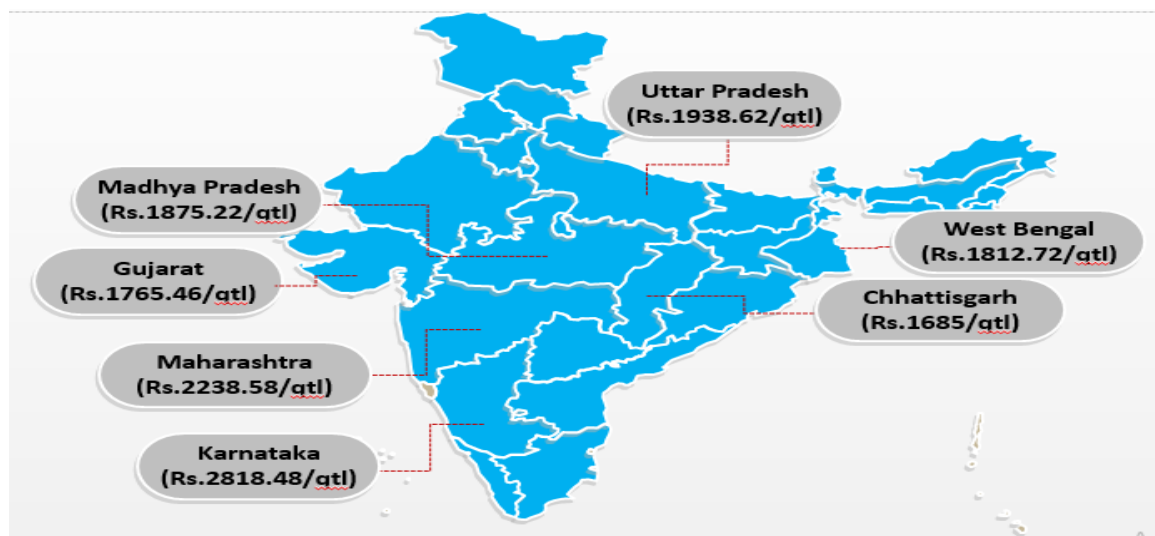
State wise monthly price analysis of wheat (Rs/qtl) during June-21

State	June, 2021	May, 2021	June, 2020	% Change(Over Previous Month)	% Change(Over Previous Year)
Chhattisgarh	1685.2	1628.94	1753.99	3.45	-3.92
Gujarat	1765.46	1779.06	1807.16	-0.76	-2.31
Haryana	1976	1975	1925	0.05	2.65
Jharkhand	2270	2238.33	2339.54	1.41	-2.97
Karnataka	2818.48	2349.94	2855.68	19.94	-1.3
Kerala	2066.67	2073.75	2147.79	-0.34	-3.78
Madhya Pradesh	1875.22	1925.73	1854.11	-2.62	1.14
Maharashtra	2238.57	2261.94	2255.97	-1.03	-0.77
Rajasthan	1866.61	1935.11	1830.94	-3.54	1.95
Uttar Pradesh	1938.62	1972	1919.27	-1.69	1.01
West Bengal	1812.72	1891.78	2013.73	-4.18	-9.98

Monthly average wholesale wheat prices in India were traded in the range of Rs.1825 to 2800 per quintal. Except Karnataka, in other states all wheat prices were down by 1-4 % from May-21. Karnataka, wheat price was up by 19.94 percent from Rs.2349.94

to 2818.48 per quintal. Wheat prices in coming months would likely to trade around MSP as procurement being slow in all the states.

Spot market dynamics of wheat during June-21



State wise spot prices of wheat during June-21

Price comparison with peers (Cereals and Millets) during June-21

Paddy



Rs.1632.40/qtl
(▼ 2.40%)

Wheat



Rs.1822/qtl
(▼ 4.50%)

Maize



Rs.1552/qtl
(▲ 2.20%)

Sorghum



Rs.1949./qtl
(▲0.40 %)

Pearl Millet



Rs.1349.50/qtl
(▼2.00%)

Finger Millet



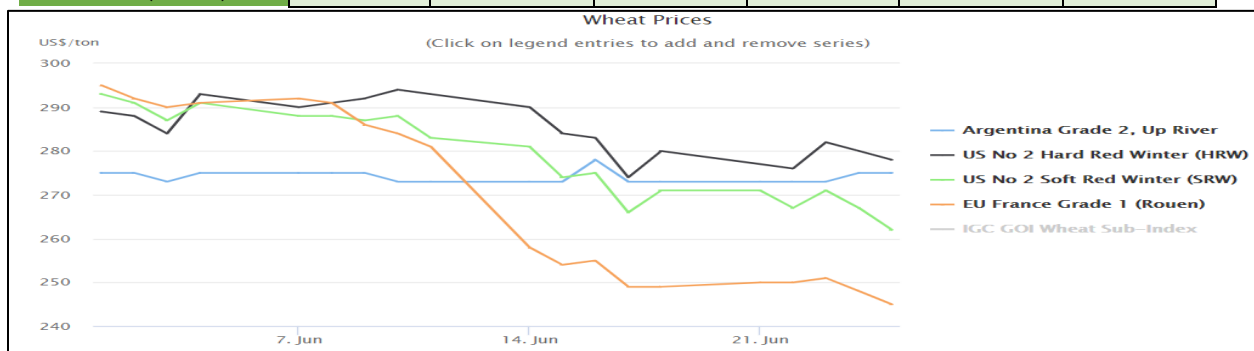
Rs.2791.50/qtl
(▼4.20%)

* () parentheses represents the % change from previous month

Wheat - Global Market Outlook

Wheat Export prices-Free on board (FOB) (USD/T)

Countries -type	25 th June	03 rd June	\$ change	Annual Change	52 Week Low	52 Week High
Argentina Grade-II	275	273	+2	14%	238	291
EU France Grade-I	245	290	-45	21%	201	304
US No.2(HRW)	278	274	+4	32%	210	323
US No.2(SRW)	262	287	-25	27%	204	330



Source: International Grain Council (IGC)

During June-21 all global wheat FOB quotes are hovering in the range from strong zone to weak tone except Argentina grade 2 (Up river). After reaching 52-week high in May-21, all wheat FOB quotes are came down to normal zone and all quotes are converged to decline around \$270 to \$278 per MT.

CBOT future prices of Wheat (USD/bushels)

After reaching 52 week high in end of the May-21, during June-21 contract of CBOT future prices of wheat for September -21 was dipped by \$120/Bushels to \$644 form \$764/bushels.