

Wheat Domestic Fundamentals:

During April- December 2020 period, India's export of Wheat rose to Rs 1,870 crore (252 US\$ Million) against was Rs. 336 crores (48 US\$ Million) reported during the same phase a year back. As per the trend, there is a growth of 456.41% in Rupee term and 431.10 % Dollar terms. The share of export of wheat is 1.84 % in the total export of APEDA scheduled products. The key exports destination for wheat includes Nepal, Bangladesh, United Arab Emirates.

Madhya Pradesh has increased its wheat procurement target for this rabi season to 125 lakh metric tonnes, a year after recording the highest wheat procurement of almost 130 LMT last year, as against a target of 100 lakh metric tonnes. The central Indian state now accounts for 8.30 lakh metric tonnes of the 9.93 lakh metric tonnes increase in the area under wheat crop for this year's procurement season.

According to the trade source, Due to the sudden change in the weather, the temperature has started increasing gradually. Strong sunlight in the day is making you feel warm. The concern of wheat producing farmers has increased. Similarly, if the temperature increases, wheat production will decline. The late wheat crop will collapse.

In Madhya Pradesh, registration for procurement of wheat is currently in progress, which will run till February 20. All arrangements are being made in the state for timely procurement of crop in the interest of farmers. Wheat will be procured from March 22 in Indore and Ujjain divisions in MP and from April 1 in the remaining divisions. Around 4529 procurement centres are being set up across the state.

The wheat crop is expected to be good this year. The standing crop is getting cold at present, and due to the favorable environment, the harvest will be good in Gujarat. The sowing has been reduced, but there will not be a very big decline. The wheat price is hovering from ₹ 1810 to 1820, which has increased recently. There is no circumstance to see the price going below ₹ 1800 in the coming days. If the amount is too low, then the market can go down.

Prices will go up in the wheat market in the long term, but this year the major basis has been on the fluctuation of Chicago futures. In the new season, wheat exports are expected to go from 10 lakh tonnes to 40 lakh tonnes. The export of wheat will remain the same throughout the year.

FCI has stocked up to 3 million tonnes of URS quality, which is in Punjab - Haryana but will run out in two months. After that, the market can improve.

In Kota, the price of mill quality wheat is running around Rs. 1750. Currently, the price is stable at present due to loading problems at Kandla port, lack of space in the warehouse, but as export demand comes out, there will be a recovery from this price, and there will be a rise of Rs. 100 to 150 per quintal. Export demand in wheat is expected to be good. Depending on the global market price, there will be export trade, and the market will depend on it. In Rajasthan, the old stock of wheat is no longer left. The same stock is left, which is normal.

The Uttar Pradesh government has increased the MSP for wheat to Rs 1975 per quintal. In a way, this year, Rs 50 has been increased more than the MSP of last year. Government procurement of wheat in Uttar Pradesh is going to start from April 1.

As per the latest update, the area under wheat has increased marginally by 3.03% to 345.14 lakh hectares so far in the ongoing 2020-21 Rabi season from 334.68 lakh hectares year-ago same period. Rabi sowing progress's overall trend is excellent, with increased area coverage recorded due to favourable weather. Thus, 10.46 lakh ha more area has been covered compared to last year.

International Market Update:

Australian farmers have harvested their largest-ever wheat crop, according to the latest crop report issued by the Australian Bureau of Agricultural and Resource Economics and Sciences issued Feb. 16. ABARES estimated the 2020-21 Australian wheat crop at 33.337 million tonnes, up 18.172 million tonnes, or 120%, from the drought-reduced 2019-20 outturn of 15.165 million tonnes.

Russian wheat export prices fell for the fourth consecutive week last week amid a decline in Chicago and Paris prices and rising supply in the domestic market. Russian wheat with 12.5% protein loading from Black Sea ports for supply in March was at \$277.5 a tonne free on board (FOB) at the end of last week, down \$8.5 from the previous week, the IKAR agriculture consultancy said. Sovecon, another Moscow consultancy, said wheat prices fell by \$4 to \$281, while barley was unchanged at \$248. "Russian exporters are trying to regain their competitive edge. Supply from farmers is growing in the domestic market,"

Wheat Futures Contract: NCDEX Price							Date: 18.02.2021 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
21-Feb	-	-	-	-	1788				
21-Mar	-	-	-	-	1793				
21-Apr	-	-	-	-	1798				

Wheat Daily Prices and Arrivals on 18.02.2021

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			18-Feb-21	17-Feb-21	
Delhi	Lawrence Road	Mill Delivery	1930	1945	-15
	Narella	Mill Quality Loose	1820	Closed	-
	Nazafgarh	Mill Quality Loose	1800	Closed	-
Gujarat	Rajkot	Mill Delivery	1810	1800	10
	Ahmedabad	Mill Delivery	1885	1870	15
	Surat	Mill Delivery	1930	1915	15
	Dhrol	Mill Quality Loose	NR	1800	-
M.P.	Indore	Mill Delivery	1810	1840	-30
	Bhopal	Mill Quality Loose	1670	1675	-5
Rajasthan	Kota	Mill Quality Loose	1680	1660	20
		Mill Delivery	1800	1780	20
U.P.	Kanpur	Mill Delivery	1800	1750	50
	Mathura	Mill Quality Loose	1760	1740	20
	Kosi	Mill Quality Loose	1800	1740	60
	Hathras	Mill Quality Loose	1720	1670	50
	Aligarh	Mill Quality Loose	1720	Closed	-
Punjab	Khanna	Mill Quality Loose	1800	1790	10
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1800	1800	Unch
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1800	1800	Unch
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2100	2100	Unch
	Madurai	Mill Quality	2157	2157	Unch
	Coimbatore	Mill Quality	2157	2157	Unch
Bihar	Khagariya	Mill Delivery	1800	1800	Unch
	Muzaffarpur	Mill Delivery	1800	1800	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NA	NA	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NA	NA	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			18-Feb-21	17-Feb-21	
Gujarat	Rajkot	Lokwan	1900	1900	Unch
M.P.	Indore	Lokwan	2200	2200	Unch
	Bhopal	Lokwan	1800	1800	Unch
	Bina	Sarbati 306	2600	Closed	-
Rajasthan	Kota	Lokwan Bilty	1780	1760	20
	Baran	Lokwan	NA	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			18-Feb-21	17-Feb-21	
Delhi	Lawrence Road	Mill Delivery	6000	7000	-1000
	Narella	Mill Quality Loose	200	Closed	-
	Nazafgarh	Mill Quality Loose	100	Closed	-
Gujarat	Rajkot	Mill Quality Loose	1300	1400	-100
	Dhrol	Mill Quality Loose	NR	38	-
M.P.	Indore	Mill Quality Loose	2000	3000	-1000
Rajasthan	Kota	Mill Quality	6000	4000	2000
U.P.	Kanpur	Mill Quality Loose	1000	800	200
	Mathura	Mill Quality Loose	250	400	-150
	Kosi	Mill Quality Loose	550	200	350
	Hathras	Mill Quality Loose	200	100	100
	Aligarh	Mill Quality Loose	300	Closed	-
Punjab	Khanna	Mill Quality Loose	500	500	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	350	300	50
	Hodal	Mill Quality Loose	150	150	Unch
	Bhiwani	Mill Quality Loose	300	300	Unch
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat (CBOT) Future Price: 17.02.2021

Contract Month	Open	High	Low	Close	Change
Mar-21	660.00	661.25	638.50	644.00	-13.50↓
May-21	664.00	665.00	642.25	648.00	-13.50↓
Jul-21	649.00	649.00	631.25	637.25	-9.50↓
Sep-21	647.00	647.00	630.00	635.75	-9.00↓
Dec-21	651.00	651.00	635.50	641.25	-8.50↓
Mar-22	655.50	655.50	640.50	646.25	-8.00↓

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2021 Indian Agribusiness Systems Ltd.