

Wheat Domestic Fundamentals:

Indian FoB quote is hovering around \$257.67 per tonne. Against it Russia, Ukraine, France, US and Australia are offering wheat at \$285.00, \$284.00, \$237.25, \$289 and \$256.75 per tonne respectively. There is little hope for recovery and likely to export more than 1 MMT this year also. However, India is expected to import around 1-5 thousand tonnes in MY 2020-21.

Rains and hailstorms in Jabalpur, Sagar, Bhopal, Shahdol, Hoshangabad, and Indore region in MP and rains in Maharashtra, Gujarat, and West Bengal may affect the quality of standing crops ready to be harvested. Fears have increased as the weather may be wet next three days. The increase in the moisture in the soaked crops would lead to the rejection of the crops and wheat during the government's procurement at MSP. At this moment, the rains will affect the growth of the plant and affect the color of the crop.

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.

Wheat cash market is likely to trade steady to weak amid bumper output expected this season and higher stocks in central pool. Likely bumper production this year, Overall tone remains steady.

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.

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 grain growers could cash in on Russia's beefed-up wheat export taxes with a local record crop still on the cards. ANZ's latest agricultural commodity report has found Russia's decision to impose a wheat export tax of \$ 80 a tonne from March until June could benefit Australia. Moscow has charged the tax to reduce domestic wheat prices and increase the availability of food and feed. As a result, Russian wheat is more expensive than Australian varieties for the first time.

Saudi Arabia Sago bought wheat without issuing a tender! SAGO said on its website it bought 355k Australian, Canadian and Ukrainian wheat for arrivals between April and December 2021. Canadian wheat has been previously excluded since November 2018.

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.

Wheat Futures Contract: NCDEX Price							Date: 24.02.2021 at 5:00 PM		
Contract Month	+/-	Open	High	Low	Close	Volume	Ch. From previous day	OI	Ch. From previous day
21-Feb	-	-	-	-	1808				
21-Mar	-	-	-	-	1813				
21-Apr	-	-	-	-	1819				

Wheat Daily Prices and Arrivals on 24.02.2021

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			24-Feb-21	23-Feb-21	
Delhi	Lawrence Road	Mill Delivery	1950	1930	20
	Narella	Mill Quality Loose	Closed	1785	-
	Nazafgarh	Mill Quality Loose	Closed	1750	-
Gujarat	Rajkot	Mill Delivery	1790	1800	-10
	Ahmedabad	Mill Delivery	1875	1875	Unch
	Surat	Mill Delivery	1940	1950	-10
	Dhrol	Mill Quality Loose	NR	1780	-
M.P.	Indore	Mill Delivery	1900	1850	50
	Bhopal	Mill Quality Loose	1700	1680	20
Rajasthan	Kota	Mill Quality Loose	1680	1640	40
		Mill Delivery	1805	1780	25
U.P.	Kanpur	Mill Delivery	1800	1780	20
	Mathura	Mill Quality Loose	1740	1730	10
	Kosi	Mill Quality Loose	1750	1730	20
	Hathras	Mill Quality Loose	1680	1685	-5
	Aligarh	Mill Quality Loose	Closed	1690	-
Punjab	Khanna	Mill Quality Loose	1800	1820	-20
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1810	1800	10
	Hodal	Mill Delivery	NA	NA	-
	Bhiwani	Mill Quality Loose	1810	1800	10
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2125	2125	Unch
	Madurai	Mill Quality	2182	2182	Unch
	Coimbatore	Mill Quality	2182	2182	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	-
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Centre	Market	Variety	Prices (Rs/Qtl)		Change
			24-Feb-21	23-Feb-21	
Gujarat	Rajkot	Lokwan	1850	1850	Unch
M.P.	Indore	Lokwan	2300	2300	Unch
	Bhopal	Lokwan	1900	1900	Unch
	Bina	Sarbati 306	Closed	2500	-
Rajasthan	Kota	Lokwan Bilty	1830	1790	40
	Baran	Lokwan	NA	NA	-

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			24-Feb-21	23-Feb-21	
Delhi	Lawrence Road	Mill Delivery	8000	7000	1000
	Narella	Mill Quality Loose	Closed	100	-
	Nazafgarh	Mill Quality Loose	Closed	100	-
Gujarat	Rajkot	Mill Quality Loose	1500	1500	Unch
	Dhrol	Mill Quality Loose	NR	62	-
M.P.	Indore	Mill Quality Loose	7000	4000	3000
Rajasthan	Kota	Mill Quality	6000	5000	1000
U.P.	Kanpur	Mill Quality Loose	500	700	-200
	Mathura	Mill Quality Loose	500	300	200
	Kosi	Mill Quality Loose	300	500	-200
	Hathras	Mill Quality Loose	200	400	-200
	Aligarh	Mill Quality Loose	Closed	500	-
Punjab	Khanna	Mill Quality Loose	400	200	200
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	300	500	-200
	Hodal	Mill Quality Loose	100	200	-100
	Bhiwani	Mill Quality Loose	400	300	100
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat (CBOT) Future Price: 23.02.2021					
Contract Month	Open	High	Low	Close	Change
Mar-21	666.50	667.75	656.50	665.75	+1.75↑
May-21	671.00	672.50	661.25	670.25	+0.50↑
Jul-21	657.25	659.00	649.25	656.75	-0.25↓
Sep-21	655.25	655.50	647.00	654.00	unch
Dec-21	660.00	660.00	652.00	658.75	unch
Mar-22	665.00	665.00	656.50	663.00	unch

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