

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.

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.

The USDA in its September World Agricultural Supply and Demand Estimate lowered its forecast for the carryover of wheat on June 1, 2022 to 615 million bushels down 12 million from the August outlook and down 229 million bushel or 27% from 844 million bushel in 2021. It would be the smallest US wheat carryover since 590 million bushels in 2014.

Wheat up again after climbing 2% on Tuesday. Chicago wheat has further edged higher on Wednesday reaching a new one week high on global supply which is concerned fueled by sharp downward revision of Canadian crop estimate at a time of strong global demand.

Weather Outlook: Fairly widespread to widespread rainfall with isolated heavy to very heavy falls very likely over Gujarat State, West Madhya Pradesh, East Uttar Pradesh and East Rajasthan during 15th-17th; over East Madhya Pradesh, Gangetic West Bengal, Odisha, Bihar, Jharkhand on 15th and reduction thereafter. Isolated extremely heavy falls also likely over East Uttar Pradesh on 16th September. Scattered to fairly widespread rainfall very likely over northwest India (excluding Jammu, Kashmir & Ladakh and Himachal Pradesh) during 15th to 17th September. Isolated heavy rainfall over Uttarakhand, West Uttar Pradesh on 15th; Over Haryana on 16th; over West Rajasthan on 17th & 18th September. Isolated very heavy falls also very likely over Uttarakhand and west Uttar Pradesh on 16th, September 2021.

Wheat Daily Prices and Arrivals

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			15-Sep-21	14-Sep-21	
Delhi	Lawrence Road	Mill Delivery	2080	2075	5
	Narella	Mill Quality Loose	Closed	1990	-
	Nazafgarh	Mill Quality Loose	Closed	1970	-
Gujarat	Rajkot	Mill Delivery	2050	2050	Unch
	Ahmedabad	Mill Delivery	2120	2120	Unch
	Surat	Mill Delivery	2170	2170	Unch
	Dhrol	Mill Quality Loose	2100	2030	70
M.P.	Indore	Mill Delivery	2045	2065	-20
	Bhopal	Mill Quality Loose	1825	1855	-30
Rajasthan	Kota	Mill Quality Loose	1900	1925	-25
		Mill Delivery	2050	2075	-25
U.P.	Kanpur	Mill Delivery	1930	1940	-10
	Mathura	Mill Quality Loose	1825	1890	-65
	Kosi	Mill Quality Loose	1815	1820	-5
	Hathras	Mill Quality Loose	1860	1850	10
	Aligarh	Mill Quality Loose	1890	1890	Unch
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
			15-Sep-21	14-Sep-21	
Gujarat	Rajkot	Lokwan	2100	2100	Unch
M.P.	Indore	Lokwan	2200	2300	-100
	Bhopal	Lokwan	2100	2200	-100
	Bina	Sarbati 306	-	-	-
Rajasthan	Kota	LokwanBilty	2025	2050	-25
	Baran	Lokwan	2170	2200	-30

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			15-Sep-21	14-Sep-21	
Delhi	Lawrence Road	Mill Delivery	6000	4000	2000
	Narella	Mill Quality Loose	Closed	200	-
	Nazafgarh	Mill Quality Loose	Closed	40	-
Gujarat	Rajkot	Mill Quality Loose	1200	450	750
	Dhrol	Mill Quality Loose	45	25	20
M.P.	Indore	Mill Quality Loose	1100	600	500
Rajasthan	Kota	Mill Quality	2500	3000	-500
U.P.	Kanpur	Mill Quality Loose	400	700	-300
	Mathura	Mill Quality Loose	800	1100	-300
	Kosi	Mill Quality Loose	1800	3000	-1200
	Hathras	Mill Quality Loose	150	200	-50
	Aligarh	Mill Quality Loose	1000	1000	Unch
Punjab	Khanna	Mill Quality Loose	500	500	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	-	-	Unch
Haryana	Sirsa	Mill Quality Loose	500	300	200
	Hodal	Mill Quality Loose	120	80	40
	Bhiwani	Mill Quality Loose	700	500	200
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-

Wheat (CBOT) Future Price: 14.09.2021					
Contract Month	Open	High	Low	Close	Change
Sep21	677.25	685	677.25	685	10.5
Dec21	686.75	701.5	685.25	700.75	13.75
Mar22	696	711.5	696	711.25	14.25
May22	702.5	716.25	702	715.75	13.5
Jul22	690.25	702.25	690.25	702	11.75
Sep22	692.75	704.75	692.75	704.5	11.25

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.asp> © 2021 Indian Agribusiness Systems Pvt Ltd.