

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.

(i) **Weather Outlook:** Widespread rainfall with isolated heavy to very heavy & extremely heavy falls very likely over Uttar Pradesh today, the 16th September, scattered rainfall with isolated heavy falls on 17th September and decrease thereafter. Fairly widespread rainfall with isolated heavy to very heavy falls very likely over West Madhya Pradesh on 16th & 17th and isolated heavy falls from 18th to 20th September. Fairly widespread rainfall with isolated heavy to very heavy falls very likely over Uttarakhand on today, the 16th September and with isolated heavy falls on 19th & 20th September. Fairly widespread with isolated heavy falls is also likely over Haryana & Chandigarh on today, the 16th September and decrease thereafter. Light to moderated isolated/scattered rainfall activity likely over rest parts of northwest India during next 5 days.

Wheat Daily Prices and Arrivals

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			16-Sep-21	15-Sep-21	
Delhi	Lawrence Road	Mill Delivery	2075	2080	-5
	Narella	Mill Quality Loose	1980	Closed	-
	Nazafgarh	Mill Quality Loose	1970	Closed	-
Gujarat	Rajkot	Mill Delivery	2040	2050	-10
	Ahmedabad	Mill Delivery	2120	2120	Unch
	Surat	Mill Delivery	2170	2170	Unch
	Dhrol	Mill Quality Loose	-	2100	-
M.P.	Indore	Mill Delivery	2050	2045	5
	Bhopal	Mill Quality Loose	1800	1825	-25
Rajasthan	Kota	Mill Quality Loose	1900	1900	Unch
		Mill Delivery	2050	2050	Unch
U.P.	Kanpur	Mill Delivery	1920	1930	-10
	Mathura	Mill Quality Loose	1860	1825	35
	Kosi	Mill Quality Loose	1825	1815	10
	Hathras	Mill Quality Loose	1850	1860	-10
	Aligarh	Mill Quality Loose	1900	1890	10
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	1870	1860	10
	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	1850	1900	-50
	Muzaffarpur	Mill Delivery	1875	1900	-25
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	-	-	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	-	-	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			16-Sep-21	15-Sep-21	
Gujarat	Rajkot	Lokwan	2125	2100	25
M.P.	Indore	Lokwan	2300	2200	100
	Bhopal	Lokwan	2200	2100	100
	Bina	Sarbati 306	-	-	-
Rajasthan	Kota	LokwanBilty	2025	2025	Unch
	Baran	Lokwan	2200	2170	30

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			16-Sep-21	15-Sep-21	
Delhi	Lawrence Road	Mill Delivery	4000	6000	-2000
	Narella	Mill Quality Loose	400	Closed	-
	Nazafgarh	Mill Quality Loose	50	Closed	-
Gujarat	Rajkot	Mill Quality Loose	1400	1200	200
	Dhrol	Mill Quality Loose	-	45	-
M.P.	Indore	Mill Quality Loose	700	1100	-400
Rajasthan	Kota	Mill Quality	3000	2500	500
U.P.	Kanpur	Mill Quality Loose	500	400	100
	Mathura	Mill Quality Loose	300	800	-500
	Kosi	Mill Quality Loose	600	1800	-1200
	Hathras	Mill Quality Loose	150	150	Unch
	Aligarh	Mill Quality Loose	500	1000	-500
Punjab	Khanna	Mill Quality Loose	500	500	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	-	-	Unch
Haryana	Sirsa	Mill Quality Loose	400	500	-100
	Hodal	Mill Quality Loose	50	120	-70
	Bhiwani	Mill Quality Loose	600	700	-100
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-

Wheat (CBOT) Future Price: 15.09.2021					
Contract Month	Open	High	Low	Close	Change
Sep21	700	714.75	695.25	712.25	11.5
Dec21	709.75	726.25	707.5	723.75	12.5
Mar22	714.5	730.5	712.25	727.75	12
May22	700.75	711	698.25	710.25	8.25
Jul22	702.5	711.75	701.5	711.75	7.25
Sep22	708.25	718.25	706.25	717.5	6.75

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.