

**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 MSPs 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.

**The harvest of Ukrainian wheat has completed for 2021 with a threshing of 33 million tonnes in the bunker weight with a yield of 4.65 tonnes per hectare.** By September 16, 45.7 million tonnes of grains have been harvested with the yield averaging 4.39 tonnes per hectare. Ukraine's plan is to thresh a record of 80 million tonnes of grains in 2021 up by 15 million from 65 million previous year.

**Jordan has issued a tender to buy 120,000 tonnes of milling wheat.** The deadline for submission of wheat is Sept 22. The new tender is expected as there was no purchase in its previous tender of 120,000 tonnes of wheat which has closed on 15<sup>th</sup> September 2021.

**After eighteen months of drought in Australian farms, the grain growers are on the course to harvest a second consecutive bumper crop as global wheat price is reach eight years high.** The agricultural revival has also boosted an increase in the rural land prices in Australia.

**Statista Canada has issues lower than expected estimate for Canadian wheat production**, while France reduced its soft wheat crop estimate. Strategie Canada has sharply lowered its projection for world output, partly due to reduced estimate for the European Union.

**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.

**Weather Outlook:** Under the influence of the Well-Marked Low-Pressure Area and its associated cyclonic circulation; fairly widespread rainfall with isolated heavy falls is likely over Gujarat Region, Rajasthan and West Madhya Pradesh during next 3 days. Rainfall activity over Gujarat State is likely to increase from 19th September. Widespread rainfall with isolated heavy to very heavy falls is likely over Gujarat State and East Rajasthan during 19th-21st September, 2021. Fairly widespread rainfall with isolated heavy falls very likely over East Uttar Pradesh during next 24 hours and decrease thereafter. Fairly widespread rainfall with isolated heavy falls very likely over Uttarakhand and Himachal Pradesh during 19th-21st September. Light to moderated isolated/scattered rainfall activity likely over rest parts of northwest India during next 5 days. Rainfall activity is likely to increase over Odisha & Gangetic West Bengal with fairly widespread to widespread rainfall & isolated heavy falls over above areas from 18th to 20th September, 2021.

**Wheat Daily Prices and Arrivals**

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			17-Sep-21	16-Sep-21	
Delhi	Lawrence Road	Mill Delivery	2070	2075	-5
	Narella	Mill Quality Loose	1980	1980	Unch
	Nazafgarh	Mill Quality Loose	1980	1970	10
Gujarat	Rajkot	Mill Delivery	2040	2040	Unch
	Ahmedabad	Mill Delivery	2125	2120	5
	Surat	Mill Delivery	2175	2170	5
	Dhrol	Mill Quality Loose	2130	-	-
M.P.	Indore	Mill Delivery	2050	2050	Unch
	Bhopal	Mill Quality Loose	1810	1800	10
Rajasthan	Kota	Mill Quality Loose	1930	1900	30
		Mill Delivery	2070	2050	20
U.P.	Kanpur	Mill Delivery	1940	1920	20
	Mathura	Mill Quality Loose	1870	1860	10
	Kosi	Mill Quality Loose	1860	1825	35
	Hathras	Mill Quality Loose	1870	1850	20
	Aligarh	Mill Quality Loose	1900	1900	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	1870	1870	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	1850	1850	Unch
	Muzaffarpur	Mill Delivery	1875	1875	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	-	-	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	-	-	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			17-Sep-21	16-Sep-21	
Gujarat	Rajkot	Lokwan	2125	2125	Unch
M.P.	Indore	Lokwan	2300	2300	Unch
	Bhopal	Lokwan	2200	2200	Unch
	Bina	Sarbati 306	-	-	-
Rajasthan	Kota	LokwanBilty	2055	2025	30
	Baran	Lokwan	2200	2200	Unch

## Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			17-Sep-21	16-Sep-21	
Delhi	Lawrence Road	Mill Delivery	5000	4000	1000
	Narella	Mill Quality Loose	300	400	-100
	Nazafgarh	Mill Quality Loose	100	50	50
Gujarat	Rajkot	Mill Quality Loose	1500	1400	100
	Dhrol	Mill Quality Loose	136	-	-
M.P.	Indore	Mill Quality Loose	1200	700	500
Rajasthan	Kota	Mill Quality	3000	3000	Unch
U.P.	Kanpur	Mill Quality Loose	1000	500	500
	Mathura	Mill Quality Loose	600	300	300
	Kosi	Mill Quality Loose	400	600	-200
	Hathras	Mill Quality Loose	300	150	150
	Aligarh	Mill Quality Loose	400	500	-100
Punjab	Khanna	Mill Quality Loose	400	500	-100
	(Ludhiana)Jagraon	Mill Quality Loose	-	-	Unch
Haryana	Sirsa	Mill Quality Loose	400	400	Unch
	Hodal	Mill Quality Loose	100	50	50
	Bhiwani	Mill Quality Loose	500	600	-100
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-

Wheat (CBOT) Future Price: 16.09.2021					
Contract Month	Open	High	Low	Close	Change
Sep21	711.25	716.75	705	713	0.75
Dec21	723	728.25	716.5	724	0.25
Mar22	727	732	720.75	727.5	-0.25
May22	708.25	712.5	701.75	706.75	-3.5
Jul22	712.25	713.75	704.25	709	-2.75
Sep22	717	719.25	709	714.75	-2.75

#### 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.