

**Wheat Domestic Fundamentals:**

**According to 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.

**It was informed by UP government 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:**

**Wheat has reached near 8 days high due to global supply concerns.** The wheat futures have edged up on Monday due to growing concerns of global supplies following Canada's drought affected harvest and lowering of production estimate by European Union and France. The wheat futures on CBOT were up 0.1% to reach \$7.09-3/4 per bushel.

**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.

**Russia resumes wheat export to Algeria after 5 years.** The first shipment of 30,000 tonnes is on the way and second shipment is currently being loaded in Black Sea and expected to sail soon. Russia is also expected to send two vessels containing 60,000 tons of wheat in September. It marked first major supply of wheat from Russia to Algeria since 2016..

**As on 20<sup>th</sup> September 2021, Russia's wheat export prices have risen for 10<sup>th</sup> consecutive week following higher global** benchmark in Chicago and Paris. The Russian wheat with 12.5% protein, loading from Black Sea ports were FOB \$301 a tonne last week, up by \$1 from previous week.

**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:** Fairly widespread to widespread rainfall with isolated heavy falls very likely over East Rajasthan during next 05 days, and over Madhya Pradesh, Vidarbha and Chhattisgarh during next 04 days; over Konkan & Goa, Madhya Maharashtra, Marathwada during next 03 days and over Gujarat region during next 02 days. Isolated very heavy falls is also likely over East Rajasthan on 20th & 21st September, 2021. Scattered to fairly widespread rainfall with isolated heavy falls very likely over Uttarakhand during 20th-24th September, 2021. Fairly widespread to widespread Rainfall with isolated heavy falls very likely to continue over Odisha and Gangetic West Bengal on 20th & 21st September, 2021 and decrease in rainfall activity thereafter. Isolated very heavy falls is also likely Gangetic West Bengal on 20th September, 2021. A cyclonic circulation likely to form over East central and adjoining Northeast Bay of Bengal around 25th September. It is likely to move west- north westwards and reach Odisha coast during subsequent 48 hours. Under its influence, a fresh spell of heavy rainfall likely over Odisha and adjoining areas from 26th September.

**Wheat Daily Prices and Arrivals**

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			20-Sep-21	18-Sep-21	
<b>Delhi</b>	Lawrence Road	Mill Delivery	2100	2080	20
	Narella	Mill Quality Loose	1980	1970	10
	Nazafgarh	Mill Quality Loose	1990	1960	30
<b>Gujarat</b>	Rajkot	Mill Delivery	2040	2050	-10
	Ahmedabad	Mill Delivery	2115	2120	-5
	Surat	Mill Delivery	2160	2170	-10
	Dhrol	Mill Quality Loose	2130	2125	5
<b>M.P.</b>	Indore	Mill Delivery	2000	2050	-50
	Bhopal	Mill Quality Loose	1825	1850	-25
<b>Rajasthan</b>	Kota	Mill Quality Loose	1900	1925	-25
		Mill Delivery	2050	2060	-10
<b>U.P.</b>	Kanpur	Mill Delivery	1940	1930	10
	Mathura	Mill Quality Loose	1860	1865	-5
	Kosi	Mill Quality Loose	1830	1850	-20
	Hathras	Mill Quality Loose	1870	1860	10
	Aligarh	Mill Quality Loose	1900	1880	20
<b>Punjab</b>	Khanna	Mill Quality Loose	1850	1850	Unch
	Ludhiana (Jagraon)	Mill Delivery	-	-	Unch
<b>Haryana</b>	Sirsa	Mill Delivery loose	1875	1860	15
	Hodal	Mill Delivery	-	-	-
	Bhiwani	Mill Quality Loose	1940	1880	60
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-
<b>Tamil Nadu</b>	Chennai	Mill Quality	2300	2300	Unch
	Madurai	Mill Quality	2357	2357	Unch
	Coimbatore	Mill Quality	2357	2357	Unch
<b>Bihar</b>	Khagariya	Mill Delivery	1900	1850	50
	Muzaffarpur	Mill Delivery	1900	1900	Unch
<b>FOR</b>	Kandla (Rajasthan-Rajkot)	Mill Quality	-	-	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	-	-	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			20-Sep-21	18-Sep-21	
Gujarat	Rajkot	Lokwan	2125	2125	Unch
M.P.	Indore	Lokwan	2250	2300	-50
	Bhopal	Lokwan	2300	2200	100
	Bina	Sarbati 306	-	-	-
Rajasthan	Kota	LokwanBilty	2025	2050	-25
	Baran	Lokwan	2050	2040	10

## Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			20-Sep-21	18-Sep-21	
Delhi	Lawrence Road	Mill Delivery	4000	6500	-2500
	Narella	Mill Quality Loose	250	200	50
	Nazafgarh	Mill Quality Loose	50	60	-10
Gujarat	Rajkot	Mill Quality Loose	2500	1200	1300
	Dhrol	Mill Quality Loose	190	154	36
M.P.	Indore	Mill Quality Loose	1500	1000	500
Rajasthan	Kota	Mill Quality	2000	2500	-500
U.P.	Kanpur	Mill Quality Loose	1200	700	500
	Mathura	Mill Quality Loose	1000	500	500
	Kosi	Mill Quality Loose	1000	500	500
	Hathras	Mill Quality Loose	350	400	-50
	Aligarh	Mill Quality Loose	500	300	200
Punjab	Khanna	Mill Quality Loose	500	600	-100
	(Ludhiana)Jagraon	Mill Quality Loose	-	-	Unch
Haryana	Sirsa	Mill Quality Loose	500	300	200
	Hodal	Mill Quality Loose	100	40	60
	Bhiwani	Mill Quality Loose	100	400	-300
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-

Wheat (CBOT) Future Price: 17.09.2021					
Contract Month	Open	High	Low	Close	Change
Sep21	713.75	716	706.5	708.75	-4.25
Dec21	724.75	726.5	717.75	719.75	-4.25
Mar22	728.5	729.5	720.5	722.75	-4.75
May22	707	707.25	701	703.75	-3
Jul22	707.25	709.25	702.75	706	-3
Sep22	711	714	709.25	711.75	-3

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