

**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.

**As on 15<sup>th</sup> September 2021, 56.53% of foodgrains have been lifted in the country under PMGKAY phase IV.** A total 112.39 LMT of foodgrains is lifted against 198.78 LMT allocated, as per Ministry of consumer affairs, food & public distribution. In wheat, 49.53 LMT is lifted against allocated 97.09 LMT making lifting percentage as 51.01%. Andaman & Nicobar tops the country for lifting highest percentage of foodgrains with 93%. The PMGKAY is extended till November 2021.

**International Market Update:**

**As on Wednesday the CBOT wheat future rebounded after three sessions of decline due to strong global wheat demand.** CBOT December soft red winter wheat ended up at 15-1/2 cents at \$7.05-3/4 per bushel while KC December hard red winter wheat rose 15-1/2 cents at \$7.06 per bushel.

**China has started importing wheat from Australia despite a bitter trade-off between the countries.** This came when Australia is expecting bumper production for second consecutive year and downgrade production in Northern hemisphere. China has emerged as leading buyer for wheat taking close to 2 million tonnes out of 5 million sold so far. China has cancelled some cargoes of French wheat over quality issues and are turning to Australia..

**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.

**As of 23<sup>rd</sup> September, Ukraine has sown 1.2 million hectares of winter wheat which is 18.3% of expected 6.68 million hectares.** Winter wheat accounts for 95% of Ukraine's total wheat sowing area.

**The state-run Trading corporation of Pakistan is believed to have bought 575,000 tonnes of wheat in an international tender at \$383.50 c&f.** According to the report, Cargill has sold 290,000 tonnes, Agropur sold 60,000 tonnes, Falconbridge sold 120,000 tonnes and CHS sold 105,000 tonnes.

**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.

**As per the Grain Industry Association of Western Australia in its September report reduced its estimate for wheat output in Western Australia for the marketing year 2021-22 (October-September) to 10.6 million mt, 6.2% lower from the 11.3 million mt in August.** However, the output is 15.2 % higher than previous year at 9.2 million mt.

**Weather Outlook:** Fairly widespread to widespread rainfall with isolated heavy falls very likely over East Rajasthan, West Madhya Pradesh, Gujarat state and Konkan & Goa during next 5 days. Isolated very heavy falls is also very likely over Gujarat Region on 25th, 26th & 27th; over Saurashtra & Kutch on 26th & 27th September, 2021. Rainfall activity is very likely to increase over Kerala & Mahe with fairly widespread to widespread rainfall and isolated heavy falls from 25th September, 2021 and over Lakshadweep area from 26th September, 2021.

## Wheat Daily Prices and Arrivals

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			24-Sep-21	23-Sep-21	
Delhi	Lawrence Road	Mill Delivery	2100	2100	Unch
	Narella	Mill Quality Loose	1980	1990	-10
	Nazafgarh	Mill Quality Loose	1980	1980	Unch
Gujarat	Rajkot	Mill Delivery	2000	2010	-10
	Ahmedabad	Mill Delivery	2130	2125	5
	Surat	Mill Delivery	2170	2170	Unch
	Dhrol	Mill Quality Loose	1925	1945	-20
M.P.	Indore	Mill Delivery	2010	2020	-10
	Bhopal	Mill Quality Loose	1810	1800	10
Rajasthan	Kota	Mill Quality Loose	1900	1900	Unch
		Mill Delivery	2030	2030	Unch
U.P.	Kanpur	Mill Delivery	1940	1940	Unch
	Mathura	Mill Quality Loose	1890	1890	Unch
	Kosi	Mill Quality Loose	1875	1900	-25
	Hathras	Mill Quality Loose	1890	1875	15
	Aligarh	Mill Quality Loose	1900	1900	Unch
Punjab	Khanna	Mill Quality Loose	1840	1830	10
	Ludhiana (Jagraon)	Mill Delivery	-	-	Unch
Haryana	Sirsa	Mill Delivery loose	1875	1875	Unch
	Hodal	Mill Delivery	-	-	-
	Bhiwani	Mill Quality Loose	1940	1940	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
			24-Sep-21	23-Sep-21	
Gujarat	Rajkot	Lokwan	2150	2150	Unch
M.P.	Indore	Lokwan	2000	2000	Unch
	Bhopal	Lokwan	2100	2100	Unch
	Bina	Sarbati 306	-	-	-
Rajasthan	Kota	LokwanBilty	2025	2025	Unch
	Baran	Lokwan	2090	2100	-10

## Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			24-Sep-21	23-Sep-21	
Delhi	Lawrence Road	Mill Delivery	5000	6000	-1000
	Narella	Mill Quality Loose	500	400	100
	Nazafgarh	Mill Quality Loose	100	150	-50
Gujarat	Rajkot	Mill Quality Loose	1700	1500	200
	Dhrol	Mill Quality Loose	53	80	-27
M.P.	Indore	Mill Quality Loose	1200	1600	-400
Rajasthan	Kota	Mill Quality	3500	3000	500
U.P.	Kanpur	Mill Quality Loose	1200	900	300
	Mathura	Mill Quality Loose	600	500	100
	Kosi	Mill Quality Loose	700	600	100
	Hathras	Mill Quality Loose	300	500	-200
	Aligarh	Mill Quality Loose	150	300	-150
Punjab	Khanna	Mill Quality Loose	500	500	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	-	-	Unch
Haryana	Sirsa	Mill Quality Loose	400	400	Unch
	Hodal	Mill Quality Loose	100	60	40
	Bhiwani	Mill Quality Loose	300	200	100
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-

Wheat (CBOT) Future Price: 23.09.2021					
Contract Month	Open	High	Low	Close	Change
Dec21	708.5	719.5	704	717.75	12
Mar22	719.25	730.25	715	728.5	12.5
May22	722.5	733.25	718	732	12.75
Jul22	706	713.75	704.25	713.25	9.25
Sep22	707.25	715.25	706.75	714.75	8.5
Dec22	710.75	720.25	710.75	719.75	8

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