

Wheat Domestic Fundamentals:

As per sources, 60,500 MT of wheat vessel NEW GALAXY is loading at Kandla Port since 13th January 2022. And 55,000 MT of wheat vessel BULK VENUS is loading at Kandla port since 12th January 2022. Also, 55,000 MT of wheat vessel NAVDHENU PURNA is loading at Kandla Port since 09th January 2022. And 60,500 MT of Wheat vessel CHRISTINA is loading at Kandla Port since 10th January 2022. And 52,500 MT of wheat vessel MEGHNA PARADISE is loading at Kandla Port since 06th January 2022.

Food ministry has approved a policy which encourage the private players to bid for construction of 249 silos with close to 11 million tonnes (MT) wheat storage capacity for the Food Corporation of India (FCI). The silos will be built across 12 states, including Punjab, Haryana, Madhya Pradesh, Maharashtra, Haryana and Kerala, over the next four to five years through the Public-Private Partnership (PPP) model with an estimated investment of Rs 9,200 crore.

India has exported around 8.58 lakh tonnes of wheat during the month of December 2021 at an average FOB of \$314.95 per tonne as per trade sources. Bangladesh remains the largest importer of Indian wheat with 2.90 lakh tonnes followed by Sri Lanka with 1.15 lakh tonnes of imports. The fall is mainly due to lower imports from Bangladesh and Philippines. Due to shortage of trucks and covid restrictions the exports were lower to Bangladesh while Philippines shifted the market to Australia owing to better proximity.

As on 21st January 2022, area sown to wheat fell by 1.25 percent to 340.83 lakh hectare so far in the current rabi season from 345.14 lakh hectare the previous year during the corresponding period. The acreage was down mainly due to acreage shift from wheat to mustard in the states of Rajasthan, Punjab, Uttar Pradesh.

International Market Update:

Taiwan purchased an estimated 49,395 tonnes of milling wheat to be sourced from the United States in a tender which closed on 20th January 2021. The wheat was bought in one consignment comprising various wheat types for shipment from the U.S. Pacific Northwest coast between March 16 and March 30. The purchase involved 30,150 tonnes of U.S. dark northern spring wheat of 14.5% protein content bought at FOB \$414.16 per tonne. Another 14,600 tonnes of hard red winter wheat of 12.5% protein was bought at FOB \$401.60 per tonne and 4,645 tonnes of soft white wheat of 11% protein was bought at FOB \$430.91 per tonne.

As of 17th January, Ukraine's wheat exports for the Marketing Year 2021-22 were 28% higher year on year at 16.3 million metric tonnes (MMT). Wheat exports from Ukraine have gathered momentum over the past few months, as neighbouring Russia increased its export taxes. However, the pace has slowed down to some extent, with the ongoing tensions between Russia and Ukraine. The export prices remain highly uncompetitive for both Russia and Ukraine and that can be helpful for Indian wheat which still remains highly competitive.

Syria needs to import more than 1.5 million tonnes of wheat with majority from Russia. Syria's crop was hit by low rainfall last year adding pressure on an economy already hit by ten years of internal conflict, U.S. sanctions, a lack of funds to finance imports and the COVID-19 pandemic. Many countries have started providing wheat to Syria as a humanitarian measure including China.

Soft wheat exports from the European Union in the 2021-22 season had reached 15.32 million tonnes as of January 16th. European Union exports have impacted as Algeria, a major market of French wheat has started shifting to other sources of wheat.

Jordan is believed to have made no purchase in an international tender to buy 120,000 tonnes of milling wheat which closed on 18th January. A new tender is expected to be issued in coming days closing on February 1.

In US, excessively warm temperatures and dry weather are impacting this year's wheat harvest in Oklahoma. Over 94% of the state is experiencing some level of drought and the state needs rain between now and April to make a difference in the wheat crop. If there is a deficit rainfall, we can see a major fall in the production which was already seen in the previous year.

Weather Outlook: Thunderstorm accompanied with lightning & hail at isolated places very likely over West Madhya Pradesh and south Rajasthan. Cold Day conditions in isolated pockets very likely over Uttar Pradesh. Dense Fog in isolated pockets very likely over Uttar Pradesh and Bihar. Fog condition in the Uttar Pradesh and Bihar region would help in providing natural irrigation to the crop and also for better growth of the crop.

Wheat Daily Prices and Arrivals

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			21-Jan-22	20-Jan-22	
Delhi	Lawrence Road	Mill Delivery	2250	2250	Unch
	Narella	Mill Quality Loose	2050	2050	Unch
	Nazafgarh	Mill Quality Loose	2060	2060	Unch
Gujarat	Rajkot	Mill Delivery	2110	2110	Unch
	Ahmedabad	Mill Delivery	2170	2170	Unch
	Surat	Mill Delivery	2260	2250	10
	Dhrol	Mill Quality Loose	2180	2130	50
M.P.	Indore	Mill Delivery	2125	2130	-5
	Bhopal	Mill Quality Loose	1925	1900	25
Rajasthan	Kota	Mill Quality Loose	2000	1980	20
		Mill Delivery	2150	2130	20
U.P.	Kanpur	Mill Delivery	2060	2060	Unch
	Mathura	Mill Quality Loose	2080	2080	Unch
	Kosi	Mill Quality Loose	2060	2050	10
	Hathras	Mill Quality Loose	2050	2050	Unch
	Aligarh	Mill Quality Loose	2000	2020	-20
Punjab	Khanna	Mill Quality Loose	1960	1990	-30
	Ludhiana (Jagraon)	Mill Delivery	-	-	Unch
Haryana	Sirsa	Mill Delivery loose	2025	2025	Unch
	Hodal	Mill Delivery	-	-	-
	Bhiwani	Mill Quality Loose	2090	2090	Unch
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-
Tamil Nadu	Chennai	Mill Quality	2500	2500	Unch
	Madurai	Mill Quality	2557	2557	Unch
	Coimbatore	Mill Quality	2557	2557	Unch
Bihar	Khagariya	Mill Delivery	2100	2100	Unch
	Muzaffarpur	Mill Delivery	-	-	-
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	-	-	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	-	-	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			21-Jan-22	20-Jan-22	
Gujarat	Rajkot	Lokwan	2175	2175	Unch
M.P.	Indore	Lokwan	2300	2300	Unch
	Bhopal	Lokwan	2200	2200	Unch
	Bina	Sarbati 306	-	-	-
Rajasthan	Kota	LokwanBilty	2125	2105	20
	Baran	Lokwan	2250	2250	Unch

Wheat Arrivals in Key Centers:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			21-Jan-22	20-Jan-22	
Delhi	Lawrence Road	Mill Delivery	3000	3500	-500
	Narella	Mill Quality Loose	150	100	50
	Nazafgarh	Mill Quality Loose	70	50	20
Gujarat	Rajkot	Mill Quality Loose	1000	700	300
	Dhrol	Mill Quality Loose	65	51	14
M.P.	Indore	Mill Quality Loose	1200	1000	200
Rajasthan	Kota	Mill Quality	2500	3000	-500
U.P.	Kanpur	Mill Quality Loose	600	500	100
	Mathura	Mill Quality Loose	100	100	Unch
	Kosi	Mill Quality Loose	150	100	50
	Hathras	Mill Quality Loose	100	125	-25
	Aligarh	Mill Quality Loose	200	100	100
Punjab	Khanna	Mill Quality Loose	500	400	100
	(Ludhiana)Jagraon	Mill Quality Loose	-	-	Unch
Haryana	Sirsa	Mill Quality Loose	300	300	Unch
	Hodal	Mill Quality Loose	100	50	50
	Bhiwani	Mill Quality Loose	500	400	100
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-

Wheat (CBOT) Future Price: 20.01.2022					
Contract Month	Open	High	Low	Close	Change
22-Mar	794	802.75	783.75	790.25	-6.25
22-May	796.75	805	787	793.5	-5.5
22-Jul	785.75	793	776.75	781.25	-6
22-Sep	784.5	791.5	776.25	780.75	-6
22-Dec	789	795	779.5	784.25	-6.5
23-Mar	791.75	797.75	783.25	788	-5.5

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