

Wheat Domestic Fundamentals:

As per sources, 52,500 MT of wheat vessel BULK MANARA was expected to arrive at Kandla Port on 23rd January 2022. And 60,500 MT of wheat vessel NEW GALAXY is loading at Kandla Port since 21st January 2022. And 59,182 MT of wheat vessel BULK VENUS is loading at Kandla port since 21st January 2022. Also, 55,000 MT of wheat vessel NAVDHENU PURNA is loading at Kandla Port since 19th January 2022.

Due to very strong demand from nations in South Asia and South-East Asia, India's wheat exports are expected to reach a new high of between 6.5 million tonne (MMT) and 7 million tonne (MMT) this fiscal. As per APEDA, Wheat exports during the April-November period of the current fiscal were 4.11 million tonne, valued at Rs 8,547.58 crore. In comparison, overall wheat exports in the previous fiscal year were only 2.08 million tonne, valued at Rs 4,033.81 crore.

As on 21st January 2022, area sown to wheat fell by 1.25 percent to 340.83 lakh hectare 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:

CBOT wheat futures rose after a two-day slide, attracting bargain-buying and traders hunting for short-covering. The investors continue to closely monitor the situation between Russia and the West over Ukraine that has fueled fears of disruption to Black Sea grain shipments. CBOT March soft red winter wheat settled up 9.25 cents at \$7.86 per bushel.

Egypt has bought 420,000 tonne of wheat in an international tender. The purchase included 60,000 tonne of Ukrainian, 60,000 tonne of Russian and 60,000 tonne of Romanian-origin wheat for shipment during March 5th to 15th, and 120,000 tonne of Ukrainian, 60,000 tonne of Romanian and 60,000 tonne of Russian-origin wheat for shipment during March 16th- 26th.

In Punjab, fearing an imminent hike in wheat prices, Pakistan Businesses Forum (PBF) on Friday urged the government to release its stocks to keep the market under control. Almost ten months has passed since the last season's crop. The market has now started to dry out. The wheat was quoted between Rs2,550 and Rs2,650 per maund in Punjab and also in some areas of Sindh too against the officially fixed Rs. 1768.

Turkish grain imports are expected to contract, despite a poor domestic harvest this year, amid steady losses of the lira against foreign currencies, along with rising inflation. There has been a "serious decrease" in Turkey's poultry and cattle production capacity amid financial challenges, which is weighing on the country's long-term animal feed grain imports. As per USDA, Turkey is expected to import 11MMT of wheat in the 2021-22 Marketing Year.

Due to border issues, global wheat stocks are at their tightest levels in years following weak crops in North America. Wheat exports by Russia, the world's biggest wheat exporter, are down 30% so far this year after Moscow enacted export restrictions to tame domestic inflation. Meanwhile, drought in South America, a major supplier of grains and oilseeds, threatens to reduce that region's production.

The European Commission on January 27 revised its forecast of European Union soft wheat stocks upward due to sharply increased imports. The wheat stocks are expected to reach 13.3 million tonne at the end of the 2021-22 Marketing Year, a four-year high and increase from its December projection of 12.9 million tonne. The EU's soft wheat imports higher by 500,000 tonne for an overall total of 2 million tonne.

USDA has raised its estimate for Argentina's wheat exports for Marketing Year 2021-22 (December-November) by 32.2% year on year to a record 15.2 MMT. The projection is higher than the USDA's official estimate for Argentina's wheat exports for MY 2021-22 of 13.5 MMT. It is also higher than the Buenos Aires Grain Exchange's estimate of 13.3 MMT.

Weather Outlook: Isolated to scattered light/moderate rainfall very likely over Sub-Himalayan West Bengal & Sikkim, Arunachal Pradesh, Assam & Meghalaya and Nagaland- Manipur-Mizoram-Tripura during 31st January to 02nd February, 2022. Isolated light rainfall very likely over Tami Nadu-Puducherry-Karaikal and Kerala-Mahe during next 2 days and dry weather thereafter. Light isolated rainfall/snowfall is likely over Jammu-Kashmir-Ladakh-Gilgit-Baltistan-Muzaffarabad during next 4 days and increase thereafter.

Wheat Daily Prices and Arrivals

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			29-Jan-22	28-Jan-22	
Delhi	Lawrence Road	Mill Delivery	2285	2280	5
	Narella	Mill Quality Loose	2100	2080	20
	Nazafgarh	Mill Quality Loose	2120	2070	50
Gujarat	Rajkot	Mill Delivery	2115	2135	-20
	Ahmedabad	Mill Delivery	2180	2200	-20
	Surat	Mill Delivery	2240	2260	-20
	Dhrol	Mill Quality Loose	NR	2130	-
M.P.	Indore	Mill Delivery	2200	2200	Unch
	Bhopal	Mill Quality Loose	1940	1930	10
Rajasthan	Kota	Mill Quality Loose	2025	2000	25
		Mill Delivery	2175	2150	25
U.P.	Kanpur	Mill Delivery	2120	2120	Unch
	Mathura	Mill Quality Loose	2080	2075	5
	Kosi	Mill Quality Loose	2100	2100	Unch
	Hathras	Mill Quality Loose	2100	2100	Unch
	Aligarh	Mill Quality Loose	2070	2070	Unch
Punjab	Khanna	Mill Quality Loose	2000	1980	20
	Ludhiana (Jagraon)	Mill Delivery	-	-	Unch
Haryana	Sirsa	Mill Delivery loose	2050	2050	Unch
	Hodal	Mill Delivery	-	-	-
	Bhiwani	Mill Quality Loose	2130	2080	50
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-
Tamil Nadu	Chennai	Mill Quality	2450	2450	Unch
	Madurai	Mill Quality	2507	2507	Unch
	Coimbatore	Mill Quality	2507	2507	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
			29-Jan-22	28-Jan-22	
Gujarat	Rajkot	Lokwan	2175	2200	-25
M.P.	Indore	Lokwan	2300	2300	Unch
	Bhopal	Lokwan	2200	2200	Unch
	Bina	Sarbati 306	-	-	-
Rajasthan	Kota	LokwanBilty	2150	2125	25
	Baran	Lokwan	2250	2200	50

Wheat Arrivals in Key Centres:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			29-Jan-22	28-Jan-22	
Delhi	Lawrence Road	Mill Delivery	3000	3000	Unch
	Narella	Mill Quality Loose	100	100	Unch
	Nazafgarh	Mill Quality Loose	60	70	-10
Gujarat	Rajkot	Mill Quality Loose	700	800	-100
	Dhrol	Mill Quality Loose	NR	97	-
M.P.	Indore	Mill Quality Loose	2000	3500	-1500
Rajasthan	Kota	Mill Quality	2500	3500	-1000
U.P.	Kanpur	Mill Quality Loose	600	500	100
	Mathura	Mill Quality Loose	150	100	50
	Kosi	Mill Quality Loose	200	100	100
	Hathras	Mill Quality Loose	70	50	20
	Aligarh	Mill Quality Loose	100	150	-50
Punjab	Khanna	Mill Quality Loose	400	600	-200
	(Ludhiana)Jagraon	Mill Quality Loose	0	0	Unch
Haryana	Sirsa	Mill Quality Loose	400	400	Unch
	Hodal	Mill Quality Loose	80	100	-20
	Bhiwani	Mill Quality Loose	200	300	-100
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-

Wheat (CBOT) Future Price: 28.01.2022					
Contract Month	Open	High	Low	Close	Change
22-Mar	777.25	793.5	774.75	786.25	9.25
22-May	782.25	797.5	780	791	8.75
22-Jul	772.5	788	772.25	782	8.5
22-Sep	776.25	788	773	782	7.75
22-Dec	777.5	791.25	777	786.5	8
23-Mar	785.5	793.5	784.25	790.75	8.25

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