

Wheat Domestic Fundamentals:

As of 04th February, wheat sowing was done in 343.26 lakh hectares down by 0.82% from 346.10 lakh hectares the previous year same time. In Punjab, sowing has been completed in 35.02 lakh hectares down by 0.57% from 35.22 lakh hectares the previous year. The acreage was lower mainly due to shifting of acreage from wheat to mustard in Rajasthan, Uttar Pradesh and Haryana. Though, the yield is expected to be higher than previous year due to good weather conditions.

In Indore market, the prices of loose wheat are trading at Rs. 2100 per quintal compared to Rs. 2070 per quintal the previous week. The market is showing firm trend mainly due to low arrivals in the market as most of the stocks have been sold out by the farmers to the government during the procurement phase and very few stocks are left out.

In coming week, we expect the loose wheat price to trade in the range of Rs. 2080-2120 per quintal for Indore market as we are expecting market to remain steady until mid-February.

New crop arrivals have started in Gujarat. Currently in Gujarat, Haryana, Rajasthan and Uttar Pradesh, the market is showing weak trend and good arrivals is expected in the markets in coming days.

Madhya Pradesh Government has started the registration of farmers to purchase the wheat at MSP in Indore. Around 35,000 wheat producers are expected to register to sell their crop at MSP value of Rs. 2015 per quintal.

International Market Update:

Russian wheat export prices fell for a fourth consecutive week during last week, similar to global benchmark, and tension between Russia and West has become less of an immediate concern for traders. Russian wheat with 12.5% protein content loading from Black Sea ports for supply in late February-early March stood at \$319 per tonne free on board (FOB) last week, down \$9 from the previous week. Russian wheat exports are down by 41% since the start of the 2021-22 Marketing Season on July 1 because of a smaller crop and an export tax that had been set at \$93.2 per tonne for February 9-15.

South Korea has issued an international tender to purchase up to 130,000 tonne of animal feed wheat. The deadline for submission of price offers in the tender is February 7. The feed wheat is sought for arrival in May and June.

Syria has issued an international tender to purchase and import 200,000 tonne of milling wheat. The deadline for submission of price offers in the tender is February 14. Shipment is sought 60 days after contract award.

Ukrainian winter grain crops sown to 2022 harvest were mostly in good or satisfactory condition as of February 3. Around 91% to 99% of the living plant have good regenerative capacity. Ukraine sown 6.2 million hectares of winter wheat for the 2022 harvest which is almost 94% of the planned area of 6.66 million hectares.

Due to severe drought, Turkey's 2021-22 wheat production is down by 2 MMT to 16.25 MMT as per USDA. As per reports, rainfall levels from October to December were better compared to the same period a year ago. However, the rising cost of agricultural inputs and the government's continued market interventions may dampen spring planting in Turkey. Turkey is a major importer of wheat mainly from Russia. But the imports are majorly affected by the food inflation and depreciation of Turkish lira along with high input costs.

China has lifted restriction on imports of wheat from Russia which was imposed due to concerns over dwarf bunt fungus in parts of Russia. The decision will pose a threat to other exporting nations like France, Australia and Canada. France has grown its market in the current year over China after losing its market in Algeria and this decision could impact French wheat market in China.

Weather Outlook: Fairly widespread rainfall with thunderstorm & lightning likely over Punjab, Haryana-Chandigarh-Delhi, West Uttar Pradesh and isolated rainfall over East Uttar Pradesh & North Rajasthan on 09th February. Isolated hailstorm likely over West Uttar Pradesh on 09th February. Isolated to scattered rainfall likely over West Bengal, Sikkim, Bihar, Jharkhand and North Odisha on 09th & 10th February, 2022

Wheat Daily Prices and Arrivals

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			07-Feb-22	05-Feb-22	
Delhi	Lawrence Road	Mill Delivery	2280	2285	-5
	Narella	Mill Quality Loose	2080	2150	-70
	Nazafgarh	Mill Quality Loose	2080	2150	-70
Gujarat	Rajkot	Mill Delivery	2075	2075	Unch
	Ahmedabad	Mill Delivery	2150	2150	Unch
	Surat	Mill Delivery	2215	2215	Unch
	Dhrol	Mill Quality Loose	2240	2180	60
M.P.	Indore	Mill Delivery	2210	2210	Unch
	Bhopal	Mill Quality Loose	1960	1960	Unch
Rajasthan	Kota	Mill Quality Loose	2030	2030	Unch
		Mill Delivery	2180	2180	Unch
U.P.	Kanpur	Mill Delivery	2100	2120	-20
	Mathura	Mill Quality Loose	2025	2075	-50
	Kosi	Mill Quality Loose	2050	2100	-50
	Hathras	Mill Quality Loose	2100	2150	-50
	Aligarh	Mill Quality Loose	2100	2100	Unch
Punjab	Khanna	Mill Quality Loose	2000	2000	Unch
	Ludhiana (Jagraon)	Mill Delivery	-	-	Unch
Haryana	Sirsa	Mill Delivery loose	2080	2080	Unch
	Hodal	Mill Delivery	-	-	-
	Bhiwani	Mill Quality Loose	2170	2170	Unch
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-
Tamil Nadu	Chennai	Mill Quality	2425	2425	Unch
	Madurai	Mill Quality	2482	2482	Unch
	Coimbatore	Mill Quality	2482	2482	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
			07-Feb-22	05-Feb-22	
Gujarat	Rajkot	Lokwan	2150	2150	Unch
M.P.	Indore	Lokwan	2300	2300	Unch
	Bhopal	Lokwan	2150	2150	Unch
	Bina	Sarbati 306	-	-	-
Rajasthan	Kota	LokwanBilty	2155	2155	Unch
	Baran	Lokwan	2230	2230	Unch

Wheat Arrivals in Key Centres:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			07-Feb-22	05-Feb-22	
Delhi	Lawrence Road	Mill Delivery	6000	5000	1000
	Narella	Mill Quality Loose	250	100	150
	Nazafgarh	Mill Quality Loose	200	30	170
Gujarat	Rajkot	Mill Quality Loose	500	800	-300
	Dhrol	Mill Quality Loose	31	31	Unch
M.P.	Indore	Mill Quality Loose	700	1000	-300
Rajasthan	Kota	Mill Quality	1700	2000	-300
U.P.	Kanpur	Mill Quality Loose	1000	800	200
	Mathura	Mill Quality Loose	300	200	100
	Kosi	Mill Quality Loose	500	200	300
	Hathras	Mill Quality Loose	100	70	30
	Aligarh	Mill Quality Loose	100	100	Unch
Punjab	Khanna	Mill Quality Loose	200	200	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	0	0	Unch
Haryana	Sirsa	Mill Quality Loose	300	300	Unch
	Hodal	Mill Quality Loose	70	70	Unch
	Bhiwani	Mill Quality Loose	400	400	Unch
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-

Wheat (CBOT) Future Price: 04.01.2022					
Contract Month	Open	High	Low	Close	Change
22-Mar	754.75	767.25	748.25	763.25	11.5
22-May	761	773.5	755.25	770	11.75
22-Jul	757.25	766	750.25	761.75	9.5
22-Sep	757	766.75	752	763	9.5
22-Dec	761.75	771.5	757	767.5	9.25
23-Mar	766.5	775	761.75	771.75	8.75

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