

Wheat Domestic Fundamentals:

As per trade source estimates, 55,200 metric tonne (MT) of wheat vessel AMIS WISDOM was expected to arrive at Kandla Port on 14th February 2022. And 32,000 MT of wheat vessel OBE HEART is loading at Kandla Port since 11th February 2022. And 27,000 MT of wheat vessel OCEAN BRAVE is loading at Kandla Port since 14th February 2022. And 31,500 MT of wheat vessel VENTURE GOAL is loading at Kandla Port since 05th February 2022.

In Purnia mandi of Bihar, new crop arrival is expected to arrive from 15th March. In Ahmednagar, from 1st March, new crop arrivals will start. In Rajkot, new crop arrivals have already started to come and in Kota it is expected to start from 1st March. In Sehore market, new crop arrival expected from 1st March while in Mathura new crop arrivals will start from April 1st week.

In Himachal Pradesh, due to excess rainfall received during this winter season, bumper wheat crop prospect is expected. The state received 57 percent excess rain during the current winter session, while 93 percent excess rain was recorded in January alone. About 75 percent of the land under cultivation is rainfed, periodic and excess rain are beneficial for crops. A bumper crop is expected this year. If another spell of rain occurs during the milky stage in March, it would ensure that the production target of 672 thousand metric tonne is surpassed. The area under cultivation and production was 3.19 lakh hectares and 6,28,000 MT in 2019-20 respectively, which has marginally increased to 3.40 lakh hectares. A production target of 6,72,000 MT with an average yield of 20 quintals per hectare has been set for 2021-22.

In the previous months, due to freezing cold and raining at regular intervals, the wheat crop has grown well and the farmers also saved one to two irrigation expenses. At the same time, the temperature is increasing continuously in February. In the last few days, the maximum temperature has reached 25 degrees. If the temperature remains the same in the coming days as well, then the wheat crop may suffer as wheat grain will ripen prematurely, which may affect production due to its low weight. In these days, the maximum temperature for wheat crop is considered favorable only from 21 to 22 degrees.

Due to drought persisting in South America, Asia's animal feed market would be impacted by the shortage of corn exports and record volumes of lower quality wheat from India and Australia are set to fill the gap left. Combined wheat production from India and Australia, will top 143 MMT in the 2021-22 season, more than 20 MMT above the yearly average from the two from 2015 to 2020. Indian wheat is quoted last week at \$315 a tonne, including cost and freight (C&F), to Asian destinations. Last week, South Korea has taken up roughly 400,000 tonne of new-crop Indian wheat, while the Philippines and other importers in Southeast Asia have been taking Australian wheat.

The wholesale price index of wheat for the month of January has reached 162.9 up from previous months 162.6. The inflation is higher largely due to higher domestic prices of the crop. The cereals whole sale price index increased from 162.8 in December to 163.6 in January.

International Market Update:

The wheat exports from Ukraine still remains firm despite the ongoing issue with Russia though the export prices fell over 4% on the month. Ukraine exported over 300,000 metric tonnes (MT) of wheat during the week ending February 14, taking overall shipments to 17.5 million metric tonnes (MMT) since the beginning of marketing year 2021-22 (July-June). Wheat exports through February 14 were up 33% on the year. Ukraine shipped out 16.6 million metric tonnes (MMT) of wheat in MY 2020-21.

Jordan has issued an international tender to buy 120,000 metric tonnes (MT) of milling wheat sourced from optional origins. The deadline for submission of price offers is February 23rd, with shipment sought in a series of possible combinations in 60,000 metric tonnes (MT) consignments. Possible shipment are from July 16 to September 15.

Algeria has issued an international tender to buy milling wheat to be sourced from optional origins. The tender sought a nominal 50,000 MT. The deadline for submission of price offers is February 16, with offers having to remain valid until February 17. The wheat is sought for shipment in two periods between April 1-15 and April 16-30.

Russian wheat export prices fell for a fifth consecutive week last week amid a weaker and volatile rouble currency, which remains under pressure during a diplomatic showdown between Russia and the West over Ukraine. Russian wheat with 12.5% protein content loading from Black Sea ports for supply in late February-early March stood at \$318 per tonne FOB last week, down \$1 from the previous week.

Weather Outlook: Due to north-easterly winds over coastal Tamil Nādu in lower tropospheric levels, isolated light/moderate rainfall very likely over south Tamil Nādu and Kerala during next 5 days and scattered light/moderate rainfall over Lakshadweep Islands during next 2 days.

Wheat Daily Prices and Arrivals

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			16-Feb-22	15-Feb-22	
Delhi	Lawrence Road	Mill Delivery	2275	2275	Unch
	Narella	Mill Quality Loose	Closed	2100	-
	Nazafgarh	Mill Quality Loose	Closed	2125	-
Gujarat	Rajkot	Mill Delivery	2075	2075	Unch
	Ahmedabad	Mill Delivery	2170	2170	Unch
	Surat	Mill Delivery	2240	2240	Unch
	Dhrol	Mill Quality Loose	2240	2270	-30
M.P.	Indore	Mill Delivery	2060	2060	Unch
	Bhopal	Mill Quality Loose	1970	1970	Unch
Rajasthan	Kota	Mill Quality Loose	2000	2000	Unch
		Mill Delivery	2150	2150	Unch
U.P.	Kanpur	Mill Delivery	2070	2090	-20
	Mathura	Mill Quality Loose	2030	2050	-20
	Kosi	Mill Quality Loose	2060	2080	-20
	Hathras	Mill Quality Loose	2070	2100	-30
	Aligarh	Mill Quality Loose	2040	2060	-20
Punjab	Khanna	Mill Quality Loose	2030	2020	10
	Ludhiana (Jagraon)	Mill Delivery	-	-	Unch
Haryana	Sirsa	Mill Delivery loose	2070	2070	Unch
	Hodal	Mill Delivery	-	-	-
	Bhiwani	Mill Quality Loose	2270	2270	Unch
	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
			16-Feb-22	15-Feb-22	
Gujarat	Rajkot	Lokwan	2200	2200	Unch
M.P.	Indore	Lokwan	2250	2250	Unch
	Bhopal	Lokwan	2150	2150	Unch
	Bina	Sarbati 306	-	-	-
Rajasthan	Kota	LokwanBilty	2125	2125	Unch
	Baran	Lokwan	2190	2190	Unch

Wheat Arrivals in Key Centres:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			16-Feb-22	15-Feb-22	
Delhi	Lawrence Road	Mill Delivery	10000	4000	6000
	Narella	Mill Quality Loose	Closed	200	-
	Nazafgarh	Mill Quality Loose	Closed	100	-
Gujarat	Rajkot	Mill Quality Loose	1000	700	300
	Dhrol	Mill Quality Loose	31	94	-63
M.P.	Indore	Mill Quality Loose	2500	2000	500
Rajasthan	Kota	Mill Quality	4000	3000	1000
U.P.	Kanpur	Mill Quality Loose	900	700	200
	Mathura	Mill Quality Loose	700	500	200
	Kosi	Mill Quality Loose	800	500	300
	Hathras	Mill Quality Loose	500	200	300
	Aligarh	Mill Quality Loose	300	100	200
Punjab	Khanna	Mill Quality Loose	200	500	-300
	(Ludhiana)Jagraon	Mill Quality Loose	-	-	Unch
Haryana	Sirsa	Mill Quality Loose	300	400	-100
	Hodal	Mill Quality Loose	20	50	-30
	Bhiwani	Mill Quality Loose	150	300	-150
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-

Wheat (CBOT) Future Price: 15.01.2022					
Contract Month	Open	High	Low	Close	Change
22-Mar	801.25	801.75	773	779.75	-19.5
22-May	807.75	808.5	779.5	785.75	-19.75
22-Jul	803.5	803.5	776.75	782	-19.75
22-Sep	801.75	801.75	778.25	783.5	-18.25
22-Dec	803.5	803.5	781.75	787	-17.5
23-Mar	800.75	800.75	785	790.5	-16.5

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