

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.

As per ministry of Agriculture's second advance estimate, wheat production for 2021-22 is estimated at 111.32 MMT. Agriwatch has preliminary estimated the wheat production to be around 104.66 MMT. The higher production despite lower acreage is due to good yield because of favorable environmental conditions.

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.

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:

Generally, Indonesia relies on Ukrainian wheat with 11.5% protein during the second half of the year to meet the demand. But due to the ongoing issue that is prevailing in black sea, Indonesia has started considering Australian wheat considering it as a safe haven after July. Suppliers in Australia are also eager to compete with Black Sea new crop this year as they look to maximize their export program following a record-breaking harvest of 37 million-38 million mt in marketing year 2021-22. The Australian Premium White wheat index has been on a steady rise since January 24th. The index was at \$350/mt FOB Kwinana at the Asian close on February 16th. Indian wheat can attract Indonesian market due to its highly competitive prices.

In Pakistan, Punjab province has decided to procure at least 3.5 MMT of wheat this season as provincial authorities have approved the procurement target. Last year, the procurement target had been set at 5 MMT before it was revised down to 3.5 MMT.

Egypt is not impacted by the decrease in global wheat stocks and are benefitting from diverse pool of suppliers. Currently they are receiving wheat from 16 importing origins. Egypt's wheat imports dropped 32% in 2021 amid soaring global prices last year.

FranceAgriMer cut its forecast for French soft wheat exports outside the European Union this season for the fourth consecutive month due to poor outlook for sales to Algeria where it faces competition from the Black Sea region. In its monthly supply and demand outlook for major cereal crops, the forecast was reduced for soft wheat exports outside the European Union in 2021-22 to 8.9 MMT from 9.0 MMT in January. Algeria is one of France's main export purchasers, but Algeria has changed quality specifications in its tenders which favoured the supply of rival Black Sea origin wheat.

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 is from July 16 to September 15.

Weather Outlook: Isolated/scattered light/moderate rainfall very likely over Sub-Himalayan West Bengal-Sikkim during next 5 days and isolated light/moderate rainfall over Gangetic West Bengal & Odisha on 20th & 21st; over Jharkhand on 20th and over Bihar on 21st February, 2022. Isolated light rainfall likely over Vidarbha and Chhattisgarh on 17th, 19th & 20th; Madhya Pradesh on 18th & 19th February, 2022.

Wheat Daily Prices and Arrivals

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			17-Feb-22	16-Feb-22	
Delhi	Lawrence Road	Mill Delivery	2280	2275	5
	Narella	Mill Quality Loose	2100	Closed	-
	Nazafgarh	Mill Quality Loose	2125	Closed	-
Gujarat	Rajkot	Mill Delivery	2080	2075	5
	Ahmedabad	Mill Delivery	2160	2170	-10
	Surat	Mill Delivery	2240	2240	Unch
	Dhrol	Mill Quality Loose	2250	2240	10
M.P.	Indore	Mill Delivery	2080	2060	20
	Bhopal	Mill Quality Loose	1930	1970	-40
Rajasthan	Kota	Mill Quality Loose	2000	2000	Unch
		Mill Delivery	2150	2150	Unch
U.P.	Kanpur	Mill Delivery	2100	2070	30
	Mathura	Mill Quality Loose	2060	2030	30
	Kosi	Mill Quality Loose	2065	2060	5
	Hathras	Mill Quality Loose	2050	2070	-20
	Aligarh	Mill Quality Loose	2100	2040	60
Punjab	Khanna	Mill Quality Loose	2010	2030	-20
	Ludhiana (Jagraon)	Mill Delivery	-	-	Unch
Haryana	Sirsa	Mill Delivery loose	2070	2070	Unch
	Hodal	Mill Delivery	-	-	-
	Bhiwani	Mill Quality Loose	2300	2270	30
	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
			17-Feb-22	16-Feb-22	
Gujarat	Rajkot	Lokwan	2200	2200	Unch
M.P.	Indore	Lokwan	2300	2250	50
	Bhopal	Lokwan	2150	2150	Unch
	Bina	Sarbati 306	-	-	-
Rajasthan	Kota	LokwanBilty	2125	2125	Unch
	Baran	Lokwan	2210	2190	20

Wheat Arrivals in Key Centres:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			17-Feb-22	16-Feb-22	
Delhi	Lawrence Road	Mill Delivery	6000	10000	-4000
	Narella	Mill Quality Loose	50	Closed	-
	Nazafgarh	Mill Quality Loose	20	Closed	-
Gujarat	Rajkot	Mill Quality Loose	950	1000	-50
	Dhrol	Mill Quality Loose	76	31	45
M.P.	Indore	Mill Quality Loose	3000	2500	500
Rajasthan	Kota	Mill Quality	3500	4000	-500
U.P.	Kanpur	Mill Quality Loose	800	900	-100
	Mathura	Mill Quality Loose	100	700	-600
	Kosi	Mill Quality Loose	200	800	-600
	Hathras	Mill Quality Loose	200	500	-300
	Aligarh	Mill Quality Loose	200	300	-100
Punjab	Khanna	Mill Quality Loose	600	200	400
	(Ludhiana)Jagraon	Mill Quality Loose	-	-	Unch
Haryana	Sirsa	Mill Quality Loose	400	300	100
	Hodal	Mill Quality Loose	50	20	30
	Bhiwani	Mill Quality Loose	100	150	-50
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-

Wheat (CBOT) Future Price: 16.01.2022					
Contract Month	Open	High	Low	Close	Change
22-Mar	779.75	786.75	773.25	780.5	0.75
22-May	785	793	779.5	786.25	0.5
22-Jul	782.75	789	775.75	782.5	0.5
22-Sep	783.5	790	777.5	784	0.5
22-Dec	788	793.5	781.5	788	1
23-Mar	794	796.25	785.25	791.75	1.25

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