

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 27,000 MT of wheat vessel OCEAN BRAVE is loading at Kandla Port since 14th February 2022. And 57,500 MT of wheat vessel INCE TOKYO is expected to arrive at Kandla Port on 18th February 2022.

As per Ministry of Agriculture's second advance estimate, wheat production for 2021-22 is estimated at 111.32 million metric tonne (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.

The wheat crop yield to be impacted by the sudden heating up of weather. Currently in major wheat producing areas of Uttar Pradesh, the minimum temperature has reached 17 degrees Celsius and the maximum temperature is 29 degrees Celsius. The humidity in the atmosphere has come down to 40 percent. Due to this the grain in the ear that has reached the lactation stage will remain light. This will have a direct impact on production. Since the wheat was sown late this season, adequate irrigation activity would help overcome the situation.

International Market Update:

Algeria have purchased at least 120,000 metric tonne (MT) of milling wheat in an international tender which closed on 16th February. The purchase prices for Algeria's tender were between \$346 to \$345.50 per tonne C&F. The first purchases were expected to be sourced from the Black Sea region.

Taiwan purchased an estimated 54,920 metric tonne (MT) of milling wheat to be sourced from the United States in a tender which closed on 18th February. The purchase involved a range of different wheat types in one consignment for shipment from the U.S. Pacific Northwest coast between April 4 and 18.

Nearly all soft wheat crops in France, were in good shape in the week to February 14th. An estimated 95% of soft wheat, was in good or excellent condition, unchanged from a week earlier. As per the latest FranceAgriMer, rating was slightly below a 99% score in previous report issued before winter but was above the 86% registered a year ago. Wheat crops sown last autumn in western Europe have generally benefited from moderate winter weather and adequate moisture. Growing conditions also remained favourable for durum wheat, with good rating of 89%.

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 37-38 million metric tonne (MMT) 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.

Weather Outlook Under the influence of a fresh Western Disturbance and its induced cyclonic circulation; scattered to fairly widespread light/moderate rainfall with isolated thunderstorm/lightning very likely over Western Himalayan Region during 22nd to 24th February, 2022. Isolated light/moderate rainfall also likely over Punjab on 22nd February, 2022.

Wheat Daily Prices and Arrivals

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			18-Feb-22	17-Feb-22	
Delhi	Lawrence Road	Mill Delivery	2270	2280	-10
	Narella	Mill Quality Loose	2100	2100	Unch
	Nazafgarh	Mill Quality Loose	2120	2125	-5
Gujarat	Rajkot	Mill Delivery	2070	2080	-10
	Ahmedabad	Mill Delivery	2160	2160	Unch
	Surat	Mill Delivery	2250	2240	10
	Dhrol	Mill Quality Loose	2315	2250	65
M.P.	Indore	Mill Delivery	2080	2080	Unch
	Bhopal	Mill Quality Loose	1940	1930	10
Rajasthan	Kota	Mill Quality Loose	2000	2000	Unch
		Mill Delivery	2150	2150	Unch
U.P.	Kanpur	Mill Delivery	2090	2100	-10
	Mathura	Mill Quality Loose	2050	2060	-10
	Kosi	Mill Quality Loose	2055	2065	-10
	Hathras	Mill Quality Loose	2025	2050	-25
	Aligarh	Mill Quality Loose	2100	2100	Unch
Punjab	Khanna	Mill Quality Loose	2010	2010	Unch
	Ludhiana (Jagraon)	Mill Delivery	-	-	Unch
Haryana	Sirsa	Mill Delivery loose	2070	2070	Unch
	Hodal	Mill Delivery	-	-	-
	Bhiwani	Mill Quality Loose	2300	2300	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
			18-Feb-22	17-Feb-22	
Gujarat	Rajkot	Lokwan	2200	2200	Unch
M.P.	Indore	Lokwan	2300	2300	Unch
	Bhopal	Lokwan	2150	2150	Unch
	Bina	Sarbati 306	-	-	-
Rajasthan	Kota	LokwanBilty	2125	2125	Unch
	Baran	Lokwan	2220	2210	10

Wheat Arrivals in Key Centres:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			18-Feb-22	17-Feb-22	
Delhi	Lawrence Road	Mill Delivery	5000	6000	-1000
	Narella	Mill Quality Loose	100	50	50
	Nazafgarh	Mill Quality Loose	40	20	20
Gujarat	Rajkot	Mill Quality Loose	1500	950	550
	Dhrol	Mill Quality Loose	85	76	9
M.P.	Indore	Mill Quality Loose	1500	3000	-1500
Rajasthan	Kota	Mill Quality	3000	3500	-500
U.P.	Kanpur	Mill Quality Loose	1000	800	200
	Mathura	Mill Quality Loose	200	100	100
	Kosi	Mill Quality Loose	200	200	Unch
	Hathras	Mill Quality Loose	250	200	50
	Aligarh	Mill Quality Loose	300	200	100
Punjab	Khanna	Mill Quality Loose	500	600	-100
	(Ludhiana)Jagraon	Mill Quality Loose	-	-	Unch
Haryana	Sirsa	Mill Quality Loose	400	400	Unch
	Hodal	Mill Quality Loose	50	50	Unch
	Bhiwani	Mill Quality Loose	200	100	100
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-

Wheat (CBOT) Future Price: 17.01.2022					
Contract Month	Open	High	Low	Close	Change
22-Mar	780	799.25	775.5	798	17.5
22-May	786	805.5	781.5	804.75	18.5
22-Jul	780.5	800.75	778.5	800.25	17.75
22-Sep	782.5	802.75	780	802.25	18.25
22-Dec	787.25	807.5	784.25	807	19
23-Mar	790.5	810.5	788.25	810.5	18.75

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