

Wheat Domestic Fundamentals:

In Indore and other regions of Malwa, the new crop arrivals have started. In Indore, the loose wheat is trading at Rs. 1980 per quintal compared to Rs. 2000 the previous week. The price is showing steady to weak tone. In coming week, we expect market to be steady, as new crop arrivals have started and chances of increase in prices seems to be low as higher production is expected in the coming season.

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 was 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 metirc 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:

U.S. wheat futures were trading with mixed bias for K.C. hard red winter wheat contracts rallying on concerns that escalating tensions between Russia and Ukraine could disrupt shipments from these regions. But CBOT soft red winter wheat contracts weakened on profit-taking after following K.C. hard red winter wheat higher early in the session. CBOT March soft red winter wheat futures contract settled down 1 cent at \$7.97 per bushel. K.C. hard red winter wheat for March delivery gained 9.5 cents to \$8.32 per bushel.

In USA, the wheat crop condition is impacted by the dry weather, a moderate drought rating in central Kansas was degraded to severe drought and merged with the severe drought in southwest Kansas. For Nebraska and South Dakota, recent dryness with a lack of snow cover and above-normal temperatures resulted in an increase of abnormal dryness and moderate drought. While the Conditions in the areas of northern and eastern North Dakota are rated as improving.

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 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.

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
			19-Feb-22	18-Feb-22	
Delhi	Lawrence Road	Mill Delivery	2280	2270	10
	Narella	Mill Quality Loose	2100	2100	Unch
	Nazafgarh	Mill Quality Loose	2120	2120	Unch
Gujarat	Rajkot	Mill Delivery	2080	2070	10
	Ahmedabad	Mill Delivery	2180	2160	20
	Surat	Mill Delivery	2250	2250	Unch
	Dhrol	Mill Quality Loose	NR	2315	-
M.P.	Indore	Mill Delivery	2070	2080	-10
	Bhopal	Mill Quality Loose	1925	1940	-15
Rajasthan	Kota	Mill Quality Loose	1975	2000	-25
		Mill Delivery	2125	2150	-25
U.P.	Kanpur	Mill Delivery	2110	2090	20
	Mathura	Mill Quality Loose	2060	2050	10
	Kosi	Mill Quality Loose	2050	2055	-5
	Hathras	Mill Quality Loose	2030	2025	5
	Aligarh	Mill Quality Loose	2090	2100	-10
Punjab	Khanna	Mill Quality Loose	2000	2010	-10
	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
			19-Feb-22	18-Feb-22	
Gujarat	Rajkot	Lokwan	2175	2200	-25
M.P.	Indore	Lokwan	2300	2300	Unch
	Bhopal	Lokwan	2200	2150	50
	Bina	Sarbati 306	-	-	-
Rajasthan	Kota	LokwanBilty	2100	2125	-25
	Baran	Lokwan	2190	2220	-30

Wheat Arrivals in Key Centres:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			19-Feb-22	18-Feb-22	
Delhi	Lawrence Road	Mill Delivery	5500	5000	500
	Narella	Mill Quality Loose	100	100	Unch
	Nazafgarh	Mill Quality Loose	10	40	-30
Gujarat	Rajkot	Mill Quality Loose	700	1500	-800
	Dhrol	Mill Quality Loose	NR	85	-
M.P.	Indore	Mill Quality Loose	1000	1500	-500
Rajasthan	Kota	Mill Quality	2000	3000	-1000
U.P.	Kanpur	Mill Quality Loose	700	1000	-300
	Mathura	Mill Quality Loose	150	200	-50
	Kosi	Mill Quality Loose	250	200	50
	Hathras	Mill Quality Loose	100	250	-150
	Aligarh	Mill Quality Loose	300	300	Unch
Punjab	Khanna	Mill Quality Loose	500	500	Unch
	(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	100	200	-100
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-

Wheat (CBOT) Future Price: 18.01.2022					
Contract Month	Open	High	Low	Close	Change
22-Mar	797.5	812.25	790	797	-1
22-May	804.25	818.75	797	804	-0.75
22-Jul	798.75	815.25	791.5	800.75	0.5
22-Sep	801.75	816	793.25	802.5	0.25
22-Dec	804.5	819.75	798.25	806.75	-0.25
23-Mar	804	821.75	801.75	810	-0.5

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