

Wheat Domestic Fundamentals:

Indian wheat exporters have signed deals to export at least 5.5 LMT over the next couple of months to nations in South Asia, South East Asia and West Asia. To meet the requirement of wheat, these countries were dependent on Ukraine and Russia. And due to the ongoing issue between the two nations, these nations prompt to choose alternatives like India.

The new arrivals in Indore market have started with 1800-2000 bags arriving in the market. We expect that the wheat market will show firm trend in the coming days and as a result farmers are waiting for the prices to increase in order to sell the stocks. The arrivals are generally low in the market.

As per trade sources, 57,500 MT of wheat vessel INCE TOKYO is loading at Kandla Port since 23rd February 2022. And 54,500 MT of wheat vessel INCE KARADENIZ was expected to arrive at Kandla Port on 01st March 2022.

International Market Update:

CBOT wheat futures jumped more than 5 percent as traders feared prolonged disruption to global supplies after Ukrainian ports were shut. The European wheat futures marched more than 6 percent higher. Ukraine and Russia together account for about 29 percent of global wheat exports.

Jordan's wheat reserves are enough to cover 15 months of consumption and reserves of wheat bran is enough for 11 months of consumption. While Yemen's wheat reserves are enough to cover four months of consumption.

Due to increase in the prices of wheat, MENA region is undergoing a major food prices crisis. Though, Turkey produces half of the wheat it consumes, but still imports 85 percent of wheat from Russia and Ukraine and this will push the price drastically. Countries which are at high risk due to the inflation of wheat prices are Egypt, Turkey, Tunisia, Lebanon, Yemen and Sudan.

Libya's wheat reserves are sufficient for more than a year as confirmed by the Ministry, amid global concern due to the Ukrainian crisis. Ukrainian crisis would impact the grain market in the country because it covers only 20% of Libya's wheat imports. Libya consumes one million tonnes of wheat annually, and import only 200 thousand tonnes from Ukraine, stock of soft wheat is sufficient for six months, and there will be no crisis in flour.

Odessa Port of Ukraine captured by Russia. The movement of vessels are nil as all the ports from Ukraine side has been closed. Though, Russian ports are still operating. Ukraine has asked Turkey to shut the Dardanelles strait in order to block Russian ships and vessels. Turkey has not yet reacted but most of the wheat purchasers are doubtful regarding easy passage of vessels through black sea and hence shifting to other alternate.

China has approved to purchase Russian wheat from all the regions. The approval was done on 24th February. Earlier China has banned the imports of wheat from Russia due to smut fungus infestation. The decision has come after most of the global nations are imposing sanctions on Russia. It is expected that China would be an alternative for Russia to export wheat.

Lebanon is left with only one month's wheat reserves and is facing serious supply issue of wheat as the country imports 60 percent of the wheat from Ukraine. The country's wheat silos were destroyed due to the 2020 Beirut Port explosion and is considering to purchase wheat for affordable price to secure reserves for at least two months. Lebanon is in talks with USA, India, France and other European countries for an alternative to Ukrainian wheat.

Weather Outlook: Fairly widespread to widespread rainfall with isolated thunderstorm/lightning activity very likely over Tamil Nadu-Puducherry-Karaikal during 02nd to 06th March; scattered to fairly widespread rainfall with isolated thunderstorm/lightning activity over south Coastal Andhra Pradesh, Rayalaseema & Kerala- Mahe during 04th & 06th March, 2022 likely. Isolated Heavy to Very Heavy rainfall very likely over Tamil Nadu-Puducherry-Karaikal during 03rd to 05th March with Extremely Heavy rainfall on 04th March and isolated heavy rainfall on 06th March. Isolated Heavy rainfall also very likely over South Coastal Andhra Pradesh and Rayalaseema on 04th & 05th March, 2022.

Wheat Daily Prices and Arrivals

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			02-Mar-22	28-Feb-22	
Delhi	Lawrence Road	Mill Delivery	2320	2295	25
	Narella	Mill Quality Loose	Closed	2150	-
	Nazafgarh	Mill Quality Loose	Closed	2130	-
Gujarat	Rajkot	Mill Delivery	2225	2150	75
	Ahmedabad	Mill Delivery	2250	2200	50
	Surat	Mill Delivery	2300	2280	20
	Dhrol	Mill Quality Loose	2305	2310	-5
M.P.	Indore	Mill Delivery	Closed	2150	-
	Bhopal	Mill Quality Loose	Closed	2000	-
Rajasthan	Kota	Mill Quality Loose	2020	2010	10
		Mill Delivery	2170	2160	10
U.P.	Kanpur	Mill Delivery	2160	2160	Unch
	Mathura	Mill Quality Loose	2060	2060	Unch
	Kosi	Mill Quality Loose	2070	2055	15
	Hathras	Mill Quality Loose	2070	2100	-30
	Aligarh	Mill Quality Loose	2070	2055	15
Punjab	Khanna	Mill Quality Loose	2100	2030	70
	Ludhiana (Jagraon)	Mill Delivery	-	-	Unch
Haryana	Sirsa	Mill Delivery loose	2070	2070	Unch
	Hodal	Mill Delivery	-	-	-
	Bhiwani	Mill Quality Loose	2325	2300	25
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-
Tamil Nadu	Chennai	Mill Quality	2500	2450	50
	Madurai	Mill Quality	2557	2507	50
	Coimbatore	Mill Quality	2557	2507	50
Bihar	Khagariya	Mill Delivery	2200	2200	Unch
	Muzaffarpur	Mill Delivery	-	-	-
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	-	-	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	-	-	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			02-Mar-22	28-Feb-22	
Gujarat	Rajkot	Lokwan	2300	2200	100
M.P.	Indore	Lokwan	Closed	2300	-
	Bhopal	Lokwan	Closed	2150	-
	Bina	Sarbati 306	-	-	-
	Sehore	Sarbati	Closed	3600	-
	Vidisha	Sarbati	Closed	3700	-
Rajasthan	Kota	LokwanBilty	2145	2135	10
	Baran	Lokwan	2200	2150	50

Wheat Arrivals in Key Centres:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			02-Mar-22	28-Feb-22	
Delhi	Lawrence Road	Mill Delivery	3500	4000	-500
	Narella	Mill Quality Loose	Closed	60	-
	Nazafgarh	Mill Quality Loose	Closed	5	-
Gujarat	Rajkot	Mill Quality Loose	3800	2200	1600
	Dhrol	Mill Quality Loose	82	133	-51
M.P.	Indore	Mill Quality Loose	Closed	2000	-
Rajasthan	Kota	Mill Quality	2500	3500	-1000
U.P.	Kanpur	Mill Quality Loose	600	800	-200
	Mathura	Mill Quality Loose	400	100	300
	Kosi	Mill Quality Loose	450	250	200
	Hathras	Mill Quality Loose	60	150	-90
	Aligarh	Mill Quality Loose	200	100	100
Punjab	Khanna	Mill Quality Loose	600	500	100
	(Ludhiana)Jagraon	Mill Quality Loose	0	0	Unch
Haryana	Sirsa	Mill Quality Loose	300	400	-100
	Hodal	Mill Quality Loose	50	50	Unch
	Bhiwani	Mill Quality Loose	10	50	-40
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-

Wheat (CBOT) Future Price: 01.03.2022					
Contract Month	Open	High	Low	Close	Change
22-Mar	951	1004.5	951	1001.75	73.75
22-May	934.5	984	932.25	984	50
22-Jul	917	967	915	967	50
22-Sep	903	953.75	903	948.75	44
22-Dec	900	941	898	932.5	33
23-Mar	890	926.5	889	907.25	17.5

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