

Wheat Domestic Fundamentals:

In domestic markets, wheat is showing firm trend in major markets. In Indore mandi, the loose wheat is trading at Rs 2100 per quintal compare to Rs. 2000 the previous week. In other regions of Malwa, the new crop arrivals have started and till now approx. 1.50-1.75 lakh bags have arrived in the market.

In Delhi, Mill delivery wheat was trading at Rs. 2450 per quintal compared to Rs. 2270 the previous week. The arrivals have increased in Lawrence Road from 5000 bags to 6500 bags. The prices are firm largely due to increase in international wheat prices and no supply from FCI through OMSS scheme.

In Uttar Pradesh, the loose wheat was trading at Rs. 2125 per quintal compared to Rs. 2040 the previous week showing firm trend. Though in Bihar, the prices remain steady to weak in the market because the flour millers are not buying wheat for such a high price.

Indian wheat exports are facing huge demand from international markets specially from South East Asian markets. The exports to European countries have been a difficult task for India due to lack of regulatory approvals from Europe and the agricultural trade from Russia has been put out of the sanctions which means Russian wheat can still be exported to large extent though there is a huge concern of shipments through Black Sea region.

With the ongoing issue between Russia and Ukraine, there are chances that India could end up exporting a record 7-8 million tonne of wheat in FY22. It had sold 2.09 million tonne of the food grain in 2020-21. Philippines which happens to buy a lot of Russian wheat, is looking at India to meet its demand. Although Asia Pacific countries do not directly import large quantities of food from Russia, the only exception is the Philippines, where wheat is the second-largest import from Russia. Currently the situation is moving in a way that the net food importing countries will be pushed to import the wheat from wherever it is available. India is a large wheat exporter and hence will find itself at an advantageous position.

As per trade sources, 54,500 MT of wheat vessel INCE KARADENIZ is loading at Kandla Port since 05th March 2022. And 27,500 MT of wheat vessel ZULFIKAR is loading at Kandla Port since 02nd March 2022. And 71,500 MT of wheat vessel THE HOLY was expected to arrive at Kandla Port on 05th March 2022.

International Market Update:

CBOT wheat futures jumped by daily limit for sixth straight session and rose by 7 percent to \$12.94 per bushel. The futures rose by almost 41 percent since last week making it most surge in records. The wheat prices globally have also reached 2008 food crisis level and it is expected that in coming days it will cross the level. Several countries have banned exports of wheat in order to suffice the domestic stocks of wheat.

Egypt, Turkey and Lebanon are in a major crisis due to lack of wheat supply from Russia and Ukraine. Lebanon purchases 81 percent of its wheat from Ukraine and 15 percent from Russia. Egypt buys 60 percent of its wheat from Russia and 25 percent from Ukraine and same is the composition for Turkey. These countries are abolishing various subsidies in order to maintain proper supply. Turkey has already received huge numbers of refugees who are completely dependent on wheat products. Several shipping lines based on Switzerland and France has cancelled their sail to Russia due to the ongoing issue worsening the already bad situation in the black sea.

Egypt seeks wheat imports from European Union in 2022 specially from France. Though they will still consider other origin locations like USA, Kazakhstan and Romania. Egypt has already cancelled two tenders for buying wheat. The first one was cancelled due to lack of bids while second one was cancelled due to aiming at assessing desired prices. Currently, two wheat cargoes of purchased wheat are already stuck at Ukrainian ports.

Food prices are increasing globally amid the Russia-Ukraine war. According to FAO, the world food prices hit a record high in February to post a 24.1% hike year on year. Wheat prices have also increased more than 55% since the week before the invasion, as Russia and Ukraine are two of the major exporters of the food grain.

Weather Outlook: Scattered to fairly widespread light/moderate rainfall/snowfall with isolated thunderstorm/lightning very likely over Jammu-Kashmir- Ladakh-Gilgit-Baltistan-Muzaffarabad & Himachal Pradesh and isolated light rainfall/snowfall over Uttarakhand during next 24 hours. Isolated light rainfall very likely over Punjab and Haryana-Chandigarh during next 24 hours.

Wheat Daily Prices and Arrivals

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			07-Mar-22	05-Mar-22	
Delhi	Lawrence Road	Mill Delivery	2450	2340	110
	Narella	Mill Quality Loose	2275	2000	275
	Nazafgarh	Mill Quality Loose	2250	2200	50
Gujarat	Rajkot	Mill Delivery	2425	2400	25
	Ahmedabad	Mill Delivery	2500	2500	Unch
	Surat	Mill Delivery	2530	2525	5
	Dhrol	Mill Quality Loose	2350	2340	10
M.P.	Indore	Mill Delivery	2225	2200	25
	Bhopal	Mill Quality Loose	2200	2100	100
Rajasthan	Kota	Mill Quality Loose	2225	2200	25
		Mill Delivery	2375	2350	25
U.P.	Kanpur	Mill Delivery	2240	2250	-10
	Mathura	Mill Quality Loose	2250	2070	180
	Kosi	Mill Quality Loose	2160	2100	60
	Hathras	Mill Quality Loose	2175	2100	75
	Aligarh	Mill Quality Loose	2225	2080	145
Punjab	Khanna	Mill Quality Loose	2100	2070	30
	Ludhiana (Jagraon)	Mill Delivery	-	-	-
Haryana	Sirsa	Mill Delivery loose	2200	2080	120
	Hodal	Mill Delivery	-	-	-
	Bhiwani	Mill Quality Loose	2350	2325	25
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-
Tamil Nadu	Chennai	Mill Quality	2550	2550	Unch
	Madurai	Mill Quality	2607	2607	Unch
	Coimbatore	Mill Quality	2607	2607	Unch
Bihar	Khagariya	Mill Delivery	2100	2250	-150
	Muzaffarpur	Mill Delivery	-	-	-
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	-	-	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	-	-	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			07-Mar-22	05-Mar-22	
Gujarat	Rajkot	Lokwan	2500	2450	50
M.P.	Indore	Lokwan	2350	2300	50
	Bhopal	Lokwan	2400	2300	100
	Bina	Sarbati 306	-	-	-
	Sehore	Sarbati	3550	3500	50
	Vidisha	Sarbati	3500	3600	-100
Rajasthan	Kota	LokwanBilty	2350	2325	25
	Baran	Lokwan	2350	2400	-50

Wheat Arrivals in Key Centres:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			07-Mar-22	05-Mar-22	
Delhi	Lawrence Road	Mill Delivery	4000	5000	-1000
	Narella	Mill Quality Loose	200	250	-50
	Nazafgarh	Mill Quality Loose	30	50	-20
Gujarat	Rajkot	Mill Quality Loose	4500	3700	800
	Dhrol	Mill Quality Loose	91	58	33
M.P.	Indore	Mill Quality Loose	5000	3000	2000
Rajasthan	Kota	Mill Quality	3000	2500	500
U.P.	Kanpur	Mill Quality Loose	700	800	-100
	Mathura	Mill Quality Loose	200	400	-200
	Kosi	Mill Quality Loose	500	200	300
	Hathras	Mill Quality Loose	50	100	-50
	Aligarh	Mill Quality Loose	20	200	-180
Punjab	Khanna	Mill Quality Loose	500	600	-100
	(Ludhiana)Jagraon	Mill Quality Loose	-	-	Unch
Haryana	Sirsa	Mill Quality Loose	500	400	100
	Hodal	Mill Quality Loose	50	50	Unch
	Bhiwani	Mill Quality Loose	50	30	20
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-

Wheat (CBOT) Future Price: 04.03.2022					
Contract Month	Open	High	Low	Close	Change
22-Mar	1340	1348	1201.5	1348	59
22-May	1209	1209	1209	1209	75
22-Jul	1191.25	1191.25	1108.5	1175.25	59
22-Sep	1080	1105.75	986.25	1063	32.25
22-Dec	996	1040.75	906.75	980	14.25
23-Mar	974.75	996	882.25	945.25	24.25

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