

**Wheat Domestic Fundamentals:**

***There is a robust demand for Indian wheat from Asian buyers such as Nepal, Bangladesh, Sri Lanka, Indonesia and the Philippines. And the supply of wheat to these countries is easy due to lower freight charges and currently Indian wheat is of good quality compared to international wheat. There is also better cargo handling in the port which is supporting the export demand. Though internal freight costs and unavailability of freight wagons is hampering the trade.***

***As of March 1st, the stocks of wheat available within central pool is 23.4 MMT way higher than the buffer norm of 7.46 MMT. The stocks are lowest since last 2 years. In the upcoming procurement season, the target made by various states include Punjab (13.2 MMT), Madhya Pradesh (12.9 MMT), Haryana (8.5 MMT), Uttar Pradesh (6 MMT) and Bihar (1 MMT). Though in Madhya Pradesh, it is expected that the procurement will drop by 15 to 20% as farmers are selling it to traders where it is being exported due to its better proximity to the ports.***

***With the increase in the price of wheat in international markets, Indian traders are getting benefited by the huge export demand received from overseas markets. Currently wheat is being sold from Kandla Port at FOB \$340 per tonne to \$350 per tonne. Few weeks back the prices were between \$305 per tonne to \$310 per tonne. The current prices are still highly competitive compared to the wheat of other nations. As per sources, government is also supportive of the wheat exports due to huge reserves of wheat available domestically.***

***As per trade sources, 30,000 MT of wheat vessel EVA BULKER is loading at Kandla Port since 09<sup>th</sup> March 2022. And 71,500 MT of wheat vessel THE HOLY is loading at Kandla Port since 05<sup>th</sup> March 2022. And 54,500 MT of wheat vessel INCE KARADENIZ is loading at Kandla Port since 05<sup>th</sup> March 2022.***

**International Market Update:**

***Wheat futures closed lower for the second straight day on accelerated profit-taking, as the recent surge in prices begins to be perceived as a drag on world demand. CBOT wheat for July delivery was down by 7.1% to \$11.10 per bushel. Currently due to high prices, the demand has been reduced. Algeria has extended the tender that was originally due on 8th March 2022. Also, Tunisia rejected all the offers and made no purchases because prices were seen too high.***

***China has allocated 1.6 billion yuan (\$253 million) to strengthen field management for winter wheat in an effort to secure the domestic food grains supplies. Part of money will be used to stabilize the output of winter wheat in the five major producing regions.***

***As per new USDA report, the 2021-22 global outlook this month is for higher production, decreased trade and consumption, and larger ending stocks. Global output is raised mainly due to increase in crop in Australia where the estimation is raised by 2.3 MMT to a record 36.3 MMT by ABARES. World exports are lowered by 3.6 MMT to 203.1 million, due to decrease in Ukraine and Russia exports and slight increase in Australia and India exports.***

***To prevent a humanitarian crisis in Ukraine and meet the needs of the population for the food grains, Ukraine government has banned the exports of wheat and other agricultural commodities. The ban will create a major supply issue for MENA region countries as they are the major importers of Ukrainian wheat.***

***Bulgaria government has decided to buy 1.1 MMT of wheat which include both milling wheat and feed wheat in order ensure proper food supply in the domestic markets. Bulgaria has about 3 MMT of wheat and about 300,000 tonnes are in the state reserves. Though Bulgaria has not imposed a ban on grain exports, there is extensive checks on the grain exporters.***

***In Lebanon, 11,000 MT of wheat vessel has arrived from Ukraine and has already unloaded 7,000 MT of wheat on 28th February. Lebanon is left with wheat stocks for 6 weeks to two months and have received assurance from Indian side of proper supply of wheat during requirement.***

***As per USDA, 24% of the Kansas winter wheat crop in good to excellent condition, down from 25% a week earlier. In Kansas, topsoil moisture was short to very short in 81% of the state, up from 80% the previous week. In Texas, the USDA rated just 7% of the crop as good to excellent, down from 8% the previous week. The USDA rated 75% of the Texas crop as poor to very poor, steady with the previous week. In Oklahoma, the USDA rated 15% of the winter wheat crop in good to excellent condition, up from 11% a week earlier. The poor condition of wheat in USA is also creating a major wheat supply concern in addition to the supply disruptions due to Ukraine and Russia war.***

**Weather Outlook:** Isolated light rainfall very likely to continue over Kerala & Mahe during next 5 days; over Coastal Karnataka & Lakshadweep during next 2 days and over Tamilnadu during 12th-14th March, 2022.

Wheat Daily Prices and Arrivals

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			10-Mar-22	09-Mar-22	
Delhi	Lawrence Road	Mill Delivery	2410	2460	-50
	Narella	Mill Quality Loose	2270	Closed	-
	Nazafgarh	Mill Quality Loose	2250	Closed	-
Gujarat	Rajkot	Mill Delivery	2400	2420	-20
	Ahmedabad	Mill Delivery	2425	2435	-10
	Surat	Mill Delivery	2450	2475	-25
	Dhrol	Mill Quality Loose	2275	2470	-195
M.P.	Indore	Mill Delivery	2300	2300	Unch
	Bhopal	Mill Quality Loose	2300	2300	Unch
Rajasthan	Kota	Mill Quality Loose	2150	2200	-50
		Mill Delivery	2300	2350	-50
U.P.	Kanpur	Mill Delivery	2250	2250	Unch
	Mathura	Mill Quality Loose	2240	2230	10
	Kosi	Mill Quality Loose	2185	2200	-15
	Hathras	Mill Quality Loose	2200	2200	Unch
	Aligarh	Mill Quality Loose	2200	2200	Unch
Punjab	Khanna	Mill Quality Loose	2125	2125	Unch
	Ludhiana (Jagraon)	Mill Delivery	-	-	Unch
Haryana	Sirsa	Mill Delivery loose	2210	2200	10
	Hodal	Mill Delivery	-	-	-
	Bhiwani	Mill Quality Loose	2340	2350	-10
	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	2150	2100	50
	Muzaffarpur	Mill Delivery	-	-	-
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	-	-	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	-	-	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			10-Mar-22	09-Mar-22	
<b>Gujarat</b>	Rajkot	Lokwan	2450	2475	<b>-25</b>
<b>M.P.</b>	Indore	Lokwan	2500	2500	<b>Unch</b>
	Bhopal	Lokwan	2400	2400	<b>Unch</b>
	Bina	Sarbati 306	-	-	-
	Sehore	Sarbati	3650	3750	<b>-100</b>
	Vidisha	Sarbati	3500	3600	<b>-100</b>
<b>Rajasthan</b>	Kota	LokwanBilty	2275	2325	<b>-50</b>
	Baran	Lokwan	2325	2370	<b>-45</b>

**Wheat Arrivals in Key Centres:**

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			10-Mar-22	09-Mar-22	
<b>Delhi</b>	Lawrence Road	Mill Delivery	5000	4000	<b>1000</b>
	Narella	Mill Quality Loose	150	Closed	-
	Nazafgarh	Mill Quality Loose	50	Closed	-
<b>Gujarat</b>	Rajkot	Mill Quality Loose	5000	3000	<b>2000</b>
	Dhrol	Mill Quality Loose	80	60	<b>20</b>
<b>M.P.</b>	Indore	Mill Quality Loose	5000	6000	<b>-1000</b>
<b>Rajasthan</b>	Kota	Mill Quality	3000	3000	<b>Unch</b>
<b>U.P.</b>	Kanpur	Mill Quality Loose	-	200	-
	Mathura	Mill Quality Loose	-	50	-
	Kosi	Mill Quality Loose	600	300	<b>300</b>
	Hathras	Mill Quality Loose	200	150	<b>50</b>
	Aligarh	Mill Quality Loose	150	100	<b>50</b>
<b>Punjab</b>	Khanna	Mill Quality Loose	600	400	<b>200</b>
	(Ludhiana)Jagraon	Mill Quality Loose	-	-	<b>Unch</b>
<b>Haryana</b>	Sirsa	Mill Quality Loose	500	400	<b>100</b>
	Hodal	Mill Quality Loose	50	25	<b>25</b>
	Bhiwani	Mill Quality Loose	50	30	<b>20</b>
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-

Wheat (CBOT) Future Price: 09.03.2022					
Contract Month	Open	High	Low	Close	Change
22-Mar	1199.5	1199.5	1199.5	1199.5	-73.5
22-May	1284.5	1285	1201.5	1201.5	-85
22-Jul	1194	1194	1110.25	1110.25	-85
22-Sep	1094.75	1097.25	1015.5	1027	-73.5
22-Dec	1010.75	1011	925.75	969.75	-41
23-Mar	937.25	942.25	876.25	914.5	-41

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