

**Wheat Domestic Fundamentals:**

**In Punjab, against a target of 135 lakh tonnes fixed by the department for the rabi season procurement, it is expected that the procurement would see a steep fall and total procurement might be restricted to around 100 lakh tonnes as traders and corporates are keen to lift stocks from the state due to huge export demand. The total wheat production in the state is likely to touch 175 lakh tonnes. The state food department has raised a cash credit limit of ₹30,000 crore for wheat purchase.**

**Due to supply concerns of wheat in Ukraine and Russia, most of the middle east countries are dependent on Indian wheat. Madhya Pradesh and Rajasthan have major potential for lifting of wheat for exports because of their proximity to the Kandla port. Punjab levies taxes for about 8.3%, which includes 3% market fee and rural development fund and ₹45 per quintal arhtiya fee, which comes to about 2.25%. And it is unlikely that Punjab will remove the mandi tax like Madhya Pradesh, as it is the major revenue source for the government.**

**As per IIWBR, wheat production for the current season is expected to reach 112 million tonnes despite fall in the acreage compared to previous year. This is mainly due to availability of good quality and high yielding varieties of wheat.**

**The procurement of wheat at the mandis of the Indore district at the MSP will start on March 28. Preparations are being made for this on a large scale. In the Rabi marketing year 2022-23, 98 procurement centres have been set up for procurement of wheat at the support price in the district.**

**Madhya Pradesh announced no mandi tax on wheat exported from Madhya Pradesh. The state government will provide all possible facilities to the exporters. The exporters can now buy wheat from mandis or farmers directly. Railway Board has also assured to provide racks for wheat export. India is in final talks to start wheat export to Egypt, while discussions are going on with countries like Turkey, China, Bosnia, Sudan, Nigeria, Iran and others to start wheat export.**

**International Market Update:**

**CBOT wheat futures fell for third straight day of declines, after some crop-boosting rain fell in key growing areas of the U.S. Midwest. Traders said the wheat market was under pressure as U.S. exporters of the grain have shown few signs of fresh business in the month since Russia's invasion of Ukraine roiled shipments from the Black Sea region. Export sales of wheat totaled 523,000 tonnes in the week ended March 17 in USA. That was in line with forecasts for 200,000 to 900,000 tonnes. The CBOT May soft red winter wheat futures contract settled down 20 cents at \$10.85 per bushel.**

**Huge changes is undergoing all over the world due to the concerns looming over the wheat globally. Australia and India have said they will increase their exports. But many other countries are not able to quickly make changes to the amount of wheat they can send to the rest of the world. Canada, Australia and Argentina have said they can all start to plant more wheat. But it is unclear how fast they can make changes. Increase in the planting of wheat is unlikely because the prices of fertilizers are very high which is increasing input costs.**

**With the ongoing concern between Russia and Ukraine, the major worry is how much Ukraine would harvest for the winter wheat and to what extent the wheat will be sown for spring. It is expected that only 40-60 percent of average acreage will be seeded during the spring.**

**Egypt will not hold any international tender till mid-May as they are turning to the local harvests. Egypt has also scrapped two tenders as the participation dwindled and offer prices soared in the wake of the conflict. Egypt often pauses its tenders near this time as its local crop is collected, but a three-month break would be a lengthier than usual lull in purchases.**

**Bangladesh has issued another international tender to purchase 50,000 tonnes of milling wheat. The deadline for submission of price offers is April 4. Bangladesh has issued a series of wheat and rice tenders in recent months to increase its depleted reserves after extreme weather from floods to heatwaves damaged crops.**

**As per sources, it is unlikely that Australia's next wheat crop to cross the record tonnage produced in 2021-22. According to ABARES, Australian growers are forecasted to plant 12.4 million hectares of wheat in coming months which is 5 percent below the 13.039 million hectares planted in 2021-22 producing a record 37.3 MMT of wheat which is followed by the previous record of 33.3 MMT, grown over 12.885 million hectares in 2020-21. The low wheat acreage is due to high input costs, dry weather conditions and possibility of wheat prices to reverse by the time Australia's 2022-23 harvest rolls out.**

**Weather Outlook: Isolated light to moderate thunderstorm/lightning activity also very likely over Karnataka on 25th March, over Tamilnadu-Puducherry- Karaikal and over Kerala-Mahe on 25th & 26th March, 2022. Isolated heavy rainfall also likely over South Interior Karnataka & south Tamilnadu on 25th March and over Kerala-Mahe on 25th & 26th March, 2022.**

Wheat Daily Prices and Arrivals

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			25-Mar-22	24-Mar-22	
Delhi	Lawrence Road	Mill Delivery	2350	2340	10
	Narella	Mill Quality Loose	2200	2200	Unch
	Nazafgarh	Mill Quality Loose	2185	2180	5
Gujarat	Rajkot	Mill Delivery	Closed	Closed	-
	Ahmedabad	Mill Delivery	Closed	Closed	-
	Surat	Mill Delivery	Closed	Closed	-
	Dhrol	Mill Quality Loose	-	-	-
M.P.	Indore	Mill Delivery	2140	2125	15
	Bhopal	Mill Quality Loose	2150	2100	50
Rajasthan	Kota	Mill Quality Loose	2200	2125	75
		Mill Delivery	2350	2275	75
U.P.	Kanpur	Mill Delivery	2140	2100	40
	Mathura	Mill Quality Loose	2150	2040	110
	Kosi	Mill Quality Loose	2035	2015	20
	Hathras	Mill Quality Loose	2100	2100	Unch
	Aligarh	Mill Quality Loose	2125	2100	25
Punjab	Khanna	Mill Quality Loose	2150	2120	30
	Ludhiana (Jagraon)	Mill Delivery	-	-	Unch
Haryana	Sirsa	Mill Delivery loose	2120	2120	Unch
	Hodal	Mill Delivery	-	-	Unch
	Bhiwani	Mill Quality Loose	2210	2210	Unch
	Karnal	Mill Delivery	-	-	Unch
	Panipat	Mill Quality Loose	-	-	Unch
Tamil Nadu	Chennai	Mill Quality	2500	2500	Unch
	Madurai	Mill Quality	2557	2557	Unch
	Coimbatore	Mill Quality	2557	2557	Unch
Bihar	Khagariya	Mill Delivery	2150	2100	50
	Muzaffarpur	Mill Delivery	-	-	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	Closed	Closed	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	Closed	Closed	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			25-Mar-22	24-Mar-22	
<b>Gujarat</b>	Rajkot	Lokwan	Closed	Closed	-
<b>M.P.</b>	Indore	Lokwan	2450	2400	<b>50</b>
	Bhopal	Lokwan	2300	2300	<b>Unch</b>
	Bina	Sarbati 306	-	-	-
	Sehore	Sarbati	3950	4000	<b>-50</b>
	Vidisha	Sarbati	3710	3640	<b>70</b>
<b>Rajasthan</b>	Kota	LokwanBilty	2325	2250	<b>75</b>
	Baran	Lokwan	2450	2410	<b>40</b>

**Wheat Arrivals in Key Centres:**

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			25-Mar-22	24-Mar-22	
<b>Delhi</b>	Lawrence Road	Mill Delivery	5500	5000	<b>500</b>
	Narella	Mill Quality Loose	300	150	<b>150</b>
	Nazafgarh	Mill Quality Loose	10	5	<b>5</b>
<b>Gujarat</b>	Rajkot	Mill Quality Loose	Closed	Closed	-
	Dhrol	Mill Quality Loose	-	-	-
<b>M.P.</b>	Indore	Mill Quality Loose	10000	6000	<b>4000</b>
<b>Rajasthan</b>	Kota	Mill Quality	6000	7000	<b>-1000</b>
<b>U.P.</b>	Kanpur	Mill Quality Loose	900	300	<b>600</b>
	Mathura	Mill Quality Loose	700	350	<b>350</b>
	Kosi	Mill Quality Loose	2800	300	<b>2500</b>
	Hathras	Mill Quality Loose	100	20	<b>80</b>
	Aligarh	Mill Quality Loose	100	150	<b>-50</b>
<b>Punjab</b>	Khanna	Mill Quality Loose	600	500	<b>100</b>
	(Ludhiana)Jagraon	Mill Quality Loose	-	-	<b>Unch</b>
<b>Haryana</b>	Sirsa	Mill Quality Loose	700	500	<b>200</b>
	Hodal	Mill Quality Loose	100	50	<b>50</b>
	Bhiwani	Mill Quality Loose	40	30	<b>10</b>
	Karnal	Mill Delivery	-	-	<b>Unch</b>
	Panipat	Mill Quality Loose	-	-	<b>Unch</b>

Wheat (CBOT) Future Price: 24.03.2022					
Contract Month	Open	High	Low	Close	Change
22-May	1105.75	1115	1080.5	1085.75	-20
22-Jul	1091.25	1100.5	1067	1074.5	-16.75
22-Sep	1062	1070	1040.75	1049.25	-12.75
22-Dec	1038	1042.5	1014.25	1020.5	-13.25
23-Mar	1011.25	1011.5	985.75	988	-17.75
23-May	965	970.25	949.5	949.5	-16.5

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