

### Wheat Domestic Fundamentals:

**The government has extended the PMGKAY scheme for another six months i.e., till September 2022 (Phase VI). The Phase-V of PM-GKAY scheme was to end in March 2022. The PM-GKAY has been under implementation since April 2020, as the largest food security program in the world. The Government has spent approximately Rs. 2.60 Lakh Crore so far and another Rs. 80,000 Crore will be spent over the next 6 months till September 2022 taking the total expenditure under PM-GKAY to nearly Rs. 3.40 Lakh Crore.**

**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.**

### International Market Update:

**CBOT wheat futures rose, with investors unwinding bearish positions to guard against weekend developments in the war between Russia and Ukraine that could spark sharp rallies in commodities markets, traders said. The CBOT May soft red winter wheat futures contract settled up 16.5 cents at \$11.02 per bushel. CBOT May soft red winter wheat climbed above its five-day and 10-day moving averages.**

**It is expected that there is a 8.2% drop in Israel's wheat production to 90 million tonnes in 2022-23, according to a report by the Foreign Agricultural Service of the US Department of Agriculture (USDA). The 2022-23 growing season began with late rains and almost no rainfall in some of the wheat growing areas. The production increase in 2021-22 was largely due to good precipitation during the mild winter with no extreme weather. Total wheat imports are estimated at 1.74 million tonnes, a slight increase from the 1.7 million tonnes imported a year ago. Most feed wheat is imported from Ukraine.**

**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 to 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.**

**Weather Outlook: Light to moderate isolated/scattered rainfall very likely over Kerala-Mahe, Tamilnadu-Puducherry-Karaikal and Karnataka during next 5 days and over Coastal Andhra Pradesh & Rayalaseema today, the 26th March, 2022. Isolated heavy rainfall also very likely over Kerala-Mahe on 26th March, 2022. Isolated thunderstorm/lightning activity also very likely over Interior Karnataka on 26th March, over Tamilnadu-Puducherry-Karaikal on 26th & 27th March and Kerala & Mahe during next 5 days.**

Wheat Daily Prices and Arrivals

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			26-Mar-22	25-Mar-22	
Delhi	Lawrence Road	Mill Delivery	2345	2350	-5
	Narella	Mill Quality Loose	2200	2200	Unch
	Nazafgarh	Mill Quality Loose	2180	2185	-5
Gujarat	Rajkot	Mill Delivery	Closed	-	-
	Ahmedabad	Mill Delivery	Closed	-	-
	Surat	Mill Delivery	Closed	-	-
	Dhrol	Mill Quality Loose	-	-	-
M.P.	Indore	Mill Delivery	2250	2140	110
	Bhopal	Mill Quality Loose	2125	2150	-25
Rajasthan	Kota	Mill Quality Loose	2210	2200	10
		Mill Delivery	2360	2350	10
U.P.	Kanpur	Mill Delivery	2100	2140	-40
	Mathura	Mill Quality Loose	2150	2150	Unch
	Kosi	Mill Quality Loose	2030	2035	-5
	Hathras	Mill Quality Loose	2100	2100	Unch
	Aligarh	Mill Quality Loose	2140	2125	15
Punjab	Khanna	Mill Quality Loose	2090	2150	-60
	Ludhiana (Jagraon)	Mill Delivery	-	-	Unch
Haryana	Sirsa	Mill Delivery loose	2120	2120	Unch
	Hodal	Mill Delivery	-	-	-
	Bhiwani	Mill Quality Loose	2200	2210	-10
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-
Tamil Nadu	Chennai	Mill Quality	2500	2500	Unch
	Madurai	Mill Quality	2557	2557	Unch
	Coimbatore	Mill Quality	2557	2557	Unch
Bihar	Khagariya	Mill Delivery	2100	2100	Unch
	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
			26-Mar-22	25-Mar-22	
<b>Gujarat</b>	Rajkot	Lokwan	Closed	-	-
<b>M.P.</b>	Indore	Lokwan	2450	2450	Unch
	Bhopal	Lokwan	2350	2300	50
	Bina	Sarbati 306	-	-	-
	Sehore	Sarbati	Closed	3950	-
	Vidisha	Sarbati	Closed	3710	-
<b>Rajasthan</b>	Kota	LokwanBilty	2335	2325	10
	Baran	Lokwan	2500	2450	50

**Wheat Arrivals in Key Centres:**

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			26-Mar-22	25-Mar-22	
<b>Delhi</b>	Lawrence Road	Mill Delivery	4000	5500	-1500
	Narella	Mill Quality Loose	100	300	-200
	Nazafgarh	Mill Quality Loose	5	10	-5
<b>Gujarat</b>	Rajkot	Mill Quality Loose	Closed	-	-
	Dhrol	Mill Quality Loose	-	-	-
<b>M.P.</b>	Indore	Mill Quality Loose	6000	10000	-4000
<b>Rajasthan</b>	Kota	Mill Quality	5000	6000	-1000
<b>U.P.</b>	Kanpur	Mill Quality Loose	1000	900	100
	Mathura	Mill Quality Loose	1200	700	500
	Kosi	Mill Quality Loose	4000	2800	1200
	Hathras	Mill Quality Loose	50	100	-50
	Aligarh	Mill Quality Loose	250	100	150
<b>Punjab</b>	Khanna	Mill Quality Loose	700	600	100
	(Ludhiana)Jagraon	Mill Quality Loose	-	-	Unch
<b>Haryana</b>	Sirsa	Mill Quality Loose	600	700	-100
	Hodal	Mill Quality Loose	70	100	-30
	Bhiwani	Mill Quality Loose	50	40	10
	Karnal	Mill Delivery	-	-	Unch
	Panipat	Mill Quality Loose	-	-	Unch

Wheat (CBOT) Future Price: 25.03.2022					
Contract Month	Open	High	Low	Close	Change
22-May	1089.5	1109	1064.75	1102.25	16.5
22-Jul	1075	1099	1055.5	1092.5	18
22-Sep	1048.75	1073.5	1030	1069.75	20.5
22-Dec	1019	1047.25	1003	1043.75	23.25
23-Mar	988.25	1016.5	972	1011.5	23.5
23-May	952.5	973.5	941	970	20.5

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