

Wheat Domestic Fundamentals:

In Amritsar district, the procurement has started though there has been no arrivals as the harvesting is yet to begin. With the government fixing 12 per cent as the highest permissible limit of the wheat grains, the farmers can face a problem if they harvest the crop early. The administration has also imposed a ban on the use of combine harvesters during night as it leads to more moisture in the grain. Further a ban on burning of crop residue after harvesting has also been imposed.

India's wheat exports are likely to cross 10 MMT during 2022-23, due to increasing demand for the commodity in the world market. The exports have crossed 7 MMT in 2021-22 (worth over Rs 15,000 crore) as against 2.16 MMT (over Rs 4,000 crore) in 2020-21. It was only two lakh tonnes (Rs 500 crore) in 2019-20. Maximum exports are routed through Kandla port and discussions are on with railways for facilitation of wheat exports from different ports such as Vizag, Kakinada, and Nhava Sheva.

In Rajasthan, the procurement of wheat has started in 389 purchasing centers and the procurement will continue till June 10th. In Kota, the procurement has already started from March 15th.

In Haryana, only 50 quintals of wheat have arrived in the Karnal grain market, 10 quintals in the Taraori grain market, 180 quintals in the Indri grain market and 40 quintals in the Gharaunda grain market. here was no arrival of wheat in any of the grain markets in Hisar on the first day of procurement.

In Jalandhar, wheat is expected to arrive after April 8th or 9th and proper procurement is expected to start from April 10th onwards. Since the wheat has not dried properly and the farmers want to take at least another week to harvest it, the arrival may be a little slow.

The grain market in Patiala started seeing huge arrivals and procurement of wheat. But there have been no arrivals in Fatehgarh sahib and Sangrur districts. In Patiala, around 61 MT of wheat has arrived of which 26 MT was procured and 9 MT of wheat was lifted. In Rajpura, 16 MT of wheat have arrived of which 7 MT of wheat was procured. The arrivals have picked up pace on the second day.

The 2022-23 session procurement by the government agencies in the key growing states – Punjab, Haryana, Madhya Pradesh, Rajasthan, Gujarat and Uttar Pradesh have started from April 1st. In Madhya Pradesh, a major volume of wheat exports is expected, because of its proximity to ports, the procurement target of 12.9 MMT would decline by more than 6–7 MMT, as the market price of wheat has been currently ruling above the minimum support price (MSP) of Rs 2,015 per quintal. This would encourage the farmers to sell their produce to exporters. In Punjab, wheat purchase in the state could decline by around 1 MMT, from the target of 13.2 MMT for the session. It is pretty much likely that overall procurement by government would fall this season.

International Market Update:

Sudan is expected to face a significant cereal supply gap in 2022. The estimated 5.1 million tons of cereal harvested in the 2021-2022 season will cover about 65 per cent of the estimated 7.6 million tons of cereal.

As per USDA, US wheat stocks on March 1 were at 1.02 billion bushels, 22% lower on the year. Of the total stocks, 174 million bushels were stored on farms, which is down by 39% on the year, while off-farm stocks at 850 million bushels were down by 17% from a year ago. Of the total wheat stocks, durum wheat stocks totaled at 29.7 million bushels, down by 30% on the year as of March 1. According to the report, 12.6 million bushels of durum wheat were stored on farms, down by 30% on the year, while off-farm stocks at 17.1 million bushels were down by 44% from a year ago. The states with the largest wheat stocks were Kansas, with 234.4 million bushels, North Dakota with 131.7 million bushels, and Oklahoma with 103.4 million bushels.

Algeria have purchased about 600,000 tonnes of optional-origin milling wheat in an international tender on 30th March 2022. The price paid for the wheat was estimated at about \$448 a tonne C&F. In first assessments late on 30th March, traders had reported an initial volume of about 120,000 tonnes, also at \$448 a tonne C&F.

Saudi Arabia is seeking 355,000 tonnes of wheat in an import tender for delivery September-November 2022.

China has allocated another 2 billion yuan (\$315.10 million) to facilitate the growth of its winter wheat crop. China has allocated 5 billion yuan in total from its central finance system to stabilize winter wheat output this crop year.

Weather Outlook: Light isolated rainfall very likely over Kerala-Mahe, Tamilnadu-Puducherry-Karaikal, Coastal & South Interior Karnataka during next 5 days and over Coastal Andhra Pradesh & Telangana on 05th April.

Wheat Daily Prices and Arrivals

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			02-Apr-22	01-Apr-22	
Delhi	Lawrence Road	Mill Delivery	2240	2250	-10
	Narella	Mill Quality Loose	2060	2160	-100
	Nazafgarh	Mill Quality Loose	2080	2100	-20
Gujarat	Rajkot	Mill Delivery	2250	-	-
	Ahmedabad	Mill Delivery	2400	-	-
	Surat	Mill Delivery	2425	-	-
	Dhrol	Mill Quality Loose	2505	-	-
M.P.	Indore	Mill Delivery	Closed	-	-
	Bhopal	Mill Quality Loose	Closed	-	-
Rajasthan	Kota	Mill Quality Loose	2075	2150	-75
		Mill Delivery	2225	2300	-75
U.P.	Kanpur	Mill Delivery	2130	2150	-20
	Mathura	Mill Quality Loose	2060	2030	30
	Kosi	Mill Quality Loose	1980	2025	-45
	Hathras	Mill Quality Loose	2050	2100	-50
	Aligarh	Mill Quality Loose	2040	2060	-20
Punjab	Khanna	Mill Quality Loose	2130	2035	95
	Ludhiana (Jagraon)	Mill Delivery	-	-	-
Haryana	Sirsa	Mill Delivery loose	2100	2105	-5
	Hodal	Mill Delivery	-	-	-
	Bhiwani	Mill Quality Loose	2200	2200	Unch
	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	2050	2050	Unch
	Muzaffarpur	Mill Delivery	2000	2000	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	2500	-	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	2510	-	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			02-Apr-22	01-Apr-22	
Gujarat	Rajkot	Lokwan	2350	-	2350
M.P.	Indore	Lokwan	Closed	Closed	-
	Bhopal	Lokwan	Closed	Closed	-
	Bina	Sarbati 306	-	-	-
	Sehore	Sarbati	Closed	Closed	-
	Vidisha	Sarbati	Closed	Closed	-
Rajasthan	Kota	LokwanBilty	2200	2275	-75
	Baran	Lokwan	2400	2250	150

Wheat Arrivals in Key Centres:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			02-Apr-22	01-Mar-22	
Delhi	Lawrence Road	Mill Delivery	5000	4000	1000
	Narella	Mill Quality Loose	800	200	600
	Nazafgarh	Mill Quality Loose	1000	500	500
Gujarat	Rajkot	Mill Quality Loose	6500	-	-
	Dhrol	Mill Quality Loose	187	-	-
M.P.	Indore	Mill Quality Loose	Closed	-	-
Rajasthan	Kota	Mill Quality	30000	15000	15000
U.P.	Kanpur	Mill Quality Loose	1200	2000	-800
	Mathura	Mill Quality Loose	6000	10000	-4000
	Kosi	Mill Quality Loose	10000	8500	1500
	Hathras	Mill Quality Loose	100	60	40
	Aligarh	Mill Quality Loose	4000	3800	200
Punjab	Khanna	Mill Quality Loose	700	900	-200
	(Ludhiana)Jagraon	Mill Quality Loose	-	-	-
Haryana	Sirsa	Mill Quality Loose	500	1200	-700
	Hodal	Mill Quality Loose	40000	25000	15000
	Bhiwani	Mill Quality Loose	-	-	-
	Karnal	Mill Delivery	-	-	Unch
	Panipat	Mill Quality Loose	-	-	Unch

Wheat (CBOT) Future Price: 31.03.2022					
Contract Month	Open	High	Low	Close	Change
22-May	1030.25	1075	1003.5	1006	-21.25
22-Jul	1033	1068.75	1000	1002	-21
22-Sep	1021	1050	987	989	-19.25
22-Dec	1003	1029.5	971	972.75	-18.25
23-Mar	972.75	1001.25	949	951.75	-19
23-May	944.75	965.25	927.25	927.25	-18.5

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