

Wheat Domestic Fundamentals:

In Indore, the slot booking for farmer's registration has been extended till April 30th. As of 17th April, only 32% of the farmers have been registered. In Indore, only 40,618 MT of wheat has been procured which is just 13.5% of the targeted 3 LMT.

As of 20th April, the government wheat procurement stood at 109.78 LMT which is 41.16 percent down from 186.58 LMT of wheat procured last year. The procurement in Uttar Pradesh remains low at 0.51 LMT.

The recent crop cutting experiment in Punjab suggest the yield loss from 48.68 quintal per hectare to 43 quintal per hectare due to the heatwave situation. AgriWatch has already estimated yield loss to be in the range of 8-10% in Punjab.

As per sources, In Punjab, 2.06 LMT of wheat has been procured by government agencies on 19th April 2022. Maximum purchase was made in Jalandhar with 0.45 LMT followed by Gurdaspur with 0.40 LMT.

With the reports of lower yield in different states, the prices have increased in major markets 5-7%. The market sentiments are firm and is expected to continue the same trend in coming days.

As per IIWBR, the yield reduction in Punjab is minor as most of the crops had been sown earlier. The major impact was seen in late sown crops which are small proportion of crops. IIWBR is still firm with wheat output between 111-112 MMT.

In Punjab, the percentage of shriveled grains are ranging between 10-20% which is way ahead of permissible limit of 6%. In Malwa region, the percentage is 20%, while in Bathinda and Kapurthala region it is between 10-12%. Higher percentage represents poor quality grains.

International Market Update:

Taiwan purchased an estimated 47,120 MT of milling wheat to be sourced from the United States in a tender which closed on 21st April 2022. The wheat was bought in one consignment comprising various wheat types for shipment from the U.S. Pacific Northwest coast between June 7 and June 21.

It is expected that Russia will be able to increase exports in the 2022-23 due to high carry-over stocks, record crop forecast and the expiry of a state export quota. Currently Russian exporters are resolving issues with payments and logistics.

Argentina's wheat production could fall by 25% in central producing region during the 2022-23 season, due to dry weather and creeping costs. The wheat output in the central farming region would decline by 2 MMT, from 7.8 MMT produced during the 2021-2022 season, as planting is seen down by 10% and use of fertilizers down 20%. In Argentina, wheat planting area for the 2022-23 season is expected to be around 6.5 million hectares, which is down from a revised 6.7 million hectares in the previous season.

Turkey is expected to increase wheat production by 1 MMT in 2022-23, though farmers is facing skyrocketing input costs. Wheat production is estimated at 17 MMT. About 2 MMT of that is expected to be durum wheat. Area harvested is projected to contract by 300,000 hectares but improved weather conditions are expected to increase yields.

Egypt seeks to increase strategic wheat reserves capacity to five million tons.

Paraguay's wheat production for 2022-23 MY is expected to hit 1 million tonnes on better yields from similar acreage compared to 2021-22 with exports increasing to 280,000 MT. The area planted for wheat to remain unchanged at 450,000 hectares. Practically all of Paraguay's wheat is exported to the Brazilian state of Parana, which borders Paraguay and hosts the largest concentration of flour mills in Brazil.

Canada's wheat exports fell by over 64% on the week to 67,400 mt in the week ended April 10. Wheat exports for the marketing year 2021-22 (August-July) through April 10 fell by 42% on the year to 7.9 MMT. Exports of the food grain fell in the week ended April 10 as Canadian wheat prices started to increase amid continued uncertainty over trade prospects from the Black Sea region and drought conditions in the Prairies. Canada's durum wheat exports in the week ended April 10 fell to 42,900 mt from 53,600 mt in the previous week.

Weather Outlook: Heat wave conditions very likely to prevail in isolated pockets over Gujarat state during next 5 days; over southwest Uttar Pradesh during 23rd-26th; over southeast Uttar Pradesh during 24th-26th; over Madhya Pradesh on 25th & 26th and over Rajasthan & Vidarbha on 26th April, 2022.

Wheat Daily Prices and Arrivals

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			22-Apr-22	21-Apr-22	
Delhi	Lawrence Road	Mill Delivery	2230	2250	-20
	Narella	Mill Quality Loose	2140	2135	5
	Nazafgarh	Mill Quality Loose	2125	2150	-25
Gujarat	Rajkot	Mill Delivery	2340	2350	-10
	Ahmedabad	Mill Delivery	2425	2410	15
	Surat	Mill Delivery	2475	2460	15
	Dhrol	Mill Quality Loose	2310	2375	-65
M.P.	Indore	Mill Delivery	2300	2330	-30
	Bhopal	Mill Quality Loose	2100	2080	20
Rajasthan	Kota	Mill Quality Loose	2200	2200	Unch
		Mill Delivery	2350	2350	Unch
U.P.	Kanpur	Mill Delivery	2160	2090	70
	Mathura	Mill Quality Loose	2150	2160	-10
	Kosi	Mill Quality Loose	2180	2200	-20
	Hathras	Mill Quality Loose	2200	2200	Unch
	Aligarh	Mill Quality Loose	2080	2150	-70
Punjab	Khanna	Mill Quality Loose	2025	2025	Unch
	Ludhiana (Jagraon)	Mill Delivery	2125	2120	5
Haryana	Sirsa	Mill Delivery loose	2070	2075	-5
	Hodal	Mill Delivery	-	-	-
	Bhiwani	Mill Quality Loose	2100	2110	-10
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	2040	2040	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	2200	2200	Unch
	Muzaffarpur	Mill Delivery	2200	2200	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	2440	2430	10
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	2450	2440	10

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			22-Apr-22	21-Apr-22	
Gujarat	Rajkot	Lokwan	2400	2400	Unch
M.P.	Indore	Lokwan	2450	2450	Unch
	Bhopal	Lokwan	2400	2300	100
	Bina	Sarbati 306	-	-	-
	Sehore	Sarbati	3500	3500	Unch
	Vidisha	Sarbati	4200	4150	50
Rajasthan	Kota	LokwanBilty	2400	2400	Unch
	Baran	Lokwan	2550	2575	-25

Wheat Arrivals in Key Centres:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			22-Apr-22	21-Mar-22	
Delhi	Lawrence Road	Mill Delivery	8000	9000	-1000
	-rella	Mill Quality Loose	15000	20000	-5000
	-zafgarh	Mill Quality Loose	2500	3000	-500
Gujarat	Rajkot	Mill Quality Loose	3500	2500	1000
	Dhrol	Mill Quality Loose	180	85	95
M.P.	Indore	Mill Quality Loose	6000	7000	-1000
Rajasthan	Kota	Mill Quality	50000	30000	20000
U.P.	Kanpur	Mill Quality Loose	6000	5000	1000
	Mathura	Mill Quality Loose	1500	3000	-1500
	Kosi	Mill Quality Loose	4000	7000	-3000
	Hathras	Mill Quality Loose	2400	1900	500
	Aligarh	Mill Quality Loose	1000	2500	-1500
Punjab	Khan-	Mill Quality Loose	50000	50000	Unch
	(Ludhia-)Jagraon	Mill Quality Loose	2000	15000	-13000
Harya-	Sirsa	Mill Quality Loose	5000	3000	2000
	Hodal	Mill Quality Loose	2000	3000	-1000
	Bhiwani	Mill Quality Loose	2000	1500	500
	Kar-l	Mill Delivery	2000	3000	-1000
	Panipat	Mill Quality Loose	4000	5000	-1000

Wheat (CBOT) Future Price: 21.04.2022					
Contract Month	Open	High	Low	Close	Change
22-May	1094.25	1094.25	1052.5	1068	-20
22-Jul	1103	1103	1061.75	1076.5	-21
22-Sep	1100	1100	1060.25	1075.25	-20
22-Dec	1096	1096	1056.75	1072.75	-19.25
23-Mar	1085.25	1088	1056.75	1072	-18.25
23-May	1082.5	1082.5	1053.25	1068	-17.75

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