

Wheat Domestic Fundamentals:

In the benchmark market of Indore, the sentiments were weak and prices of mill delivery was down by 2.17 percent.

In Kanpur mandi, the sentiments were weak and prices of mill delivery was down by 0.46 percent.

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' 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
			23-Apr-22	22-Apr-22	
Delhi	Lawrence Road	Mill Delivery	2300	2230	70
	Narella	Mill Quality Loose	2200	2140	60
	Nazafgarh	Mill Quality Loose	2150	2125	25
Gujarat	Rajkot	Mill Delivery	2370	2340	30
	Ahmedabad	Mill Delivery	2420	2425	-5
	Surat	Mill Delivery	2460	2475	-15
	Dhrol	Mill Quality Loose	2360	2310	50
M.P.	Indore	Mill Delivery	2250	2300	-50
	Bhopal	Mill Quality Loose	2075	2100	-25
Rajasthan	Kota	Mill Quality Loose	2250	2200	50
		Mill Delivery	2400	2350	50
U.P.	Kanpur	Mill Delivery	2150	2160	-10
	Mathura	Mill Quality Loose	2210	2150	60
	Kosi	Mill Quality Loose	2170	2180	-10
	Hathras	Mill Quality Loose	2200	2200	Unch
	Aligarh	Mill Quality Loose	2140	2080	60
Punjab	Khanna	Mill Quality Loose	2025	2025	Unch
	Ludhiana (Jagraon)	Mill Delivery	2125	2125	Unch
Haryana	Sirsa	Mill Delivery loose	2070	2070	Unch
	Hodal	Mill Delivery	-	-	-
	Bhiwani	Mill Quality Loose	2100	2100	Unch
	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	2440	Unch
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	2450	2450	Unch

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			23-Apr-22	22-Apr-22	
Gujarat	Rajkot	Lokwan	2400	2400	Unch
M.P.	Indore	Lokwan	2400	2450	-50
	Bhopal	Lokwan	2400	2400	Unch
	Bina	Sarbati 306	-	-	-
	Sehore	Sarbati	Closed	3500	-
	Vidisha	Sarbati	Closed	4200	-
Rajasthan	Kota	LokwanBilty	2450	2400	50
	Baran	Lokwan	2690	2550	140

Wheat Arrivals in Key Centres:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			23-Apr-22	22-Mar-22	
Delhi	Lawrence Road	Mill Delivery	7000	8000	-1000
	-rella	Mill Quality Loose	10000	15000	-5000
	-zafgarh	Mill Quality Loose	2000	2500	-500
Gujarat	Rajkot	Mill Quality Loose	4000	3500	500
	Dhrol	Mill Quality Loose	125	180	-55
M.P.	Indore	Mill Quality Loose	5000	6000	-1000
Rajasthan	Kota	Mill Quality	40000	50000	-10000
U.P.	Kanpur	Mill Quality Loose	5000	6000	-1000
	Mathura	Mill Quality Loose	1500	1500	Unch
	Kosi	Mill Quality Loose	9000	4000	5000
	Hathras	Mill Quality Loose	2700	2400	300
	Aligarh	Mill Quality Loose	2000	1000	1000
Punjab	Khan-	Mill Quality Loose	50000	50000	Unch
	(Ludhia-)Jagraon	Mill Quality Loose	1000	2000	-1000
Harya-	Sirsa	Mill Quality Loose	5000	5000	Unch
	Hodal	Mill Quality Loose	2500	2000	500
	Bhiwani	Mill Quality Loose	1000	2000	-1000
	Kar-l	Mill Delivery	1000	2000	-1000
	Panipat	Mill Quality Loose	1500	4000	-2500

Wheat (CBOT) Future Price: 22.04.2022					
Contract Month	Open	High	Low	Close	Change
22-May	1070	1076	1052.5	1065.5	-2.5
22-Jul	1077.25	1085.5	1060.75	1075.25	-1.25
22-Sep	1075.25	1083	1059	1073.25	-2
22-Dec	1072.75	1079	1055.5	1069.75	-3
23-Mar	1064	1077	1055.5	1068.75	-3.25
23-May	1070	1070	1052	1063	-5

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