

**Wheat Domestic Fundamentals:**

**Wheat procurement in Punjab by private players has crossed 6% which is all time high. Till now, around 101.50 LMT of wheat has been procured and 5.98 LMT of wheat has been procured by private players. The private players are paying the wheat for Rs. 2150 per quintal. In Malwa region, the wheat procurement by private players stood at 71% of the total crop purchased by the traders.**

**If the government restricts wheat exports, we can expect that neighboring countries like Bangladesh, Nepal and Sri Lanka will be the most impacted nation.**

**Wheat procurement in Haryana fell by nearly 50 per cent even. The wheat yield has been impacted due to early onset of summer and intense heatwave. The procurement is down to half of last year. So far, the agencies have procured 41 lakh MT against 85 lakh MT last year, while just over 4 lakh MT has been procured by private players after payment of market fee.**

**The Centre has announced that it would procure only 19.5 MMT of wheat in 2022-23, which is about 56 percent less than the target decided for this year. It was also announced that government procurement of wheat in Punjab would stop from May 5 due to lesser amount of wheat reaching the mandis or wholesale markets.**

**Government has changed the allocation of wheat and rice in PMGKAY. The wheat allocation has been reduced by 61%. In states of Bihar, Uttar Pradesh and Kerala, the wheat has been completely replaced by Rice. For the upcoming 5 months, around 3.55 MMT of wheat is expected to be allocated across various states against 10.92 MMT of wheat expected to be allocated for April-September.**

**Due to higher exports and lower production, wheat procurement is about to reduce by 19.5 MMT. This is way less than the procurement target of 44 MMT.**

**Food secretary has confirmed that there is enough stocks available in the market and export duty imposition or export restrictions are very much unlikely.**

**As per trade sources, 57,500 MT of wheat vessel DARYA HEERA is loading at Kandla Port since 29<sup>th</sup> April 2022. And 52,500 MT of wheat vessel EMMANUEL C is loading at Kandla Port since 29<sup>th</sup> April 2022. And 55,600 MT of wheat vessel INCE AKDENIZ is loading at Kandla Port since 01<sup>st</sup> May 2022.**

**International Market Update:**

**Chicago wheat futures fell by 1%, but the market was on track for a weekly gain with tightening world supplies supporting prices. The most-active wheat contract on the CBOT has climbed almost 4% this week. The market was trading down 1% at \$10.95 per bushel. Wheat prices have been underpinned by hot and dry weather across India that is likely to diminish that nation's export potential, while similar conditions erode U.S. winter wheat crops. U.S. wheat has also wilted under hot, dry conditions, with recent rainfall missing parts of the Southern Plains is worsening the situation.**

**Ukraine's 2022 wheat harvest is likely to be near to last year's level of more than 32 MMT. Ukraine sowed 6.5 million hectares of winter wheat for the 2022 harvest but as per sources some of the area couldn't be harvested due to Russian invasion.**

**Russia on May 6th has set the variable export tax on wheat at \$114.30/MT for the May 13th -17th period, down \$5.80 from the May 6th -12th previous period, the first reduction in the export tax since March 16th.**

**In Pakistan, the Punjab government has increased its wheat procurement target by another million tonnes from 3.5 MMT to 4.5 MMT and hopes to take its total stock close to 5 MMT, including 450,000 MT carryover.**

**World Bank is estimated that the wheat prices for the current year will increase by 40% which is hitting a record high. This is mainly due to global concern looming over wheat supply.**

**Russian wheat export prices fell last week due to higher domestic supply from farmers willing to free up storage before the new crop arrives in summer. Russia continues to export despite difficulties with logistics and payments caused by Western sanctions. Prices for wheat with 12.5% protein content for supply in May from Black Sea ports were down by \$10 to \$370 free on board (FOB) at the end of last week. Russia exported 780,000 tonnes of grains last week, compared with 590,000 tonnes a week earlier. This is the highest weekly amount of wheat exports since mid-February.**

**Weather Outlook: Scattered to fairly widespread light/moderate rainfall very likely over Arunachal Pradesh, Assam & Meghalaya and Nagaland, Manipur, Mizoram & Tripura during next 5 days with isolated thunderstorm/lightning over the region on 05th & 06th May. Isolated to scattered light/moderate rainfall very likely over Bihar, Jharkhand, West Bengal & Sikkim and Odisha during next 5 days with isolated thunderstorm/lightning/gusty winds (speed reaching 40-50 kmph) over the region on 05th & 06th May.**

## Wheat Daily Prices and Arrivals

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			06-May-22	05-May-22	
Delhi	Lawrence Road	Mill Delivery	2300	2280	20
	Narella	Mill Quality Loose	2180	2160	20
	Nazafgarh	Mill Quality Loose	2180	2170	10
Gujarat	Rajkot	Mill Delivery	2450	2425	25
	Ahmedabad	Mill Delivery	2440	2420	20
	Surat	Mill Delivery	2500	2460	40
	Dhrol	Mill Quality Loose	2410	2855	-445
M.P.	Indore	Mill Delivery	2320	2280	40
	Bhopal	Mill Quality Loose	2040	2025	15
Rajasthan	Kota	Mill Quality Loose	2200	2230	-30
		Mill Delivery	2350	2400	-50
U.P.	Kanpur	Mill Delivery	2200	2180	20
	Mathura	Mill Quality Loose	2240	2200	40
	Kosi	Mill Quality Loose	2245	2200	45
	Hathras	Mill Quality Loose	2120	2130	-10
	Aligarh	Mill Quality Loose	2125	2100	25
Punjab	Khanna	Mill Quality Loose	2050	2080	-30
	Ludhiana (Jagraon)	Mill Delivery	2150	2150	Unch
Haryana	Sirsa	Mill Delivery loose	2125	2100	25
	Hodal	Mill Delivery	-	-	-
	Bhiwani	Mill Quality Loose	2200	2150	50
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	2050	2050	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	2150	Unch
	Muzaffarpur	Mill Delivery	2100	2100	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	2500	2470	30
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	2510	2480	30

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			06-May-22	05-May-22	
Gujarat	Rajkot	Lokwan	2500	2500	Unch
M.P.	Indore	Lokwan	2400	2400	Unch
	Bhopal	Lokwan	2400	2400	Unch
	Bina	Sarbati 306	-	-	-
	Sehore	Sarbati	3500	4000	-500
	Vidisha	Sarbati	3975	4000	-75
Rajasthan	Kota	LokwanBilty	2400	2430	-30
	Baran	Lokwan	2550	2500	50

Wheat Arrivals in Key Centres:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			06-May-22	05-May-22	
Delhi	Lawrence Road	Mill Delivery	6000	6500	-500
	-rella	Mill Quality Loose	5000	4000	1000
	-zafgarh	Mill Quality Loose	500	500	Unch
Gujarat	Rajkot	Mill Quality Loose	1700	1800	-100
	Dhrol	Mill Quality Loose	150	15	135
M.P.	Indore	Mill Quality Loose	3000	4000	-1000
Rajasthan	Kota	Mill Quality	40000	40000	Unch
U.P.	Kanpur	Mill Quality Loose	4000	3500	500
	Mathura	Mill Quality Loose	1500	1000	500
	Kosi	Mill Quality Loose	5000	4000	1000
	Hathras	Mill Quality Loose	900	1100	-200
	Aligarh	Mill Quality Loose	500	1000	-500
Punjab	Khan-	Mill Quality Loose	10000	10000	Unch
	(Ludhia-)Jagraon	Mill Quality Loose	50	100	-50
Harya-	Sirsa	Mill Quality Loose	1000	2000	-1000
	Hodal	Mill Quality Loose	300	600	-300
	Bhiwani	Mill Quality Loose	5000	8000	-3000
	Kar-l	Mill Delivery	500	1500	-1000
	Panipat	Mill Quality Loose	200	1000	-800

Wheat (CBOT) Future Price: 05.05.2022					
Contract Month	Open	High	Low	Close	Change
<b>22-May</b>	1084.5	1096	1084.5	1096	<b>30</b>
<b>22-Jul</b>	1079	1121.75	1077.25	1106.5	<b>30</b>
<b>22-Sep</b>	1079.5	1120.5	1079.5	1107.25	<b>28</b>
<b>22-Dec</b>	1083.5	1119.25	1083.5	1108	<b>26.25</b>
<b>23-Mar</b>	1088	1118	1087.25	1108	<b>25.75</b>
<b>23-May</b>	1084.25	1106	1080.75	1099.25	<b>25.25</b>

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