

Wheat Domestic Fundamentals:

Procurement in Haryana still remains low even after the extension of the procurement. As per sources, 42.77 LMT of wheat has been procured against 84.93 LMT procured last year. As of now only 48% of the targeted quantity has been achieved by the government.

Due to intense heatwave, a whopping 25 per cent less wheat yield was recorded in Ludhiana district this procurement season. From 9.21 LMT grains purchased last Rabi season, the wheat procurement dipped drastically to 6.91 LMT during the current season.

State agencies in Punjab is demanding storage waiver from FCI this year as majority of the wheat procured this year are shriveled and broken and it is less likely to gain moisture.

India's wheat production in the 3rd advance estimate has been reduced to 106.41 MMT from previous estimate of 111 MMT. The reduction in production is due to yield losses reported in many Northern states.

As per reports, India has exported wheat worth \$ 177 Million in the month of March and \$473 worth wheat in April month. India has been largely benefitted from export ban of Ukraine, Belarus, Turkey, Egypt, Kazakhstan and Kuwait.

In Punjab, the retention by the farmers for wheat remains on larger side. Around 12-15 MMT of wheat is yet to arrive to the market. Farmers are holding in view that the prices may increase further in coming days.

In Rajasthan, Delhi and Gujarat, the mandi prices of wheat were in the range of Rs 2,050 a quintal to Rs 2,100 a quintal against MSP of Rs 2,015 a quintal. The arrivals have dipped drastically because of a decline in prices following the government announcing a ban on wheat export.

International Market Update:

The most-active wheat contract on the CBOT lost 31.75 cents at \$11.68 per bushel, which is down by 0.7% week on week. Global wheat supplies continue to face weather challenges.

Canada's wheat exports fell by 44% week on week to 186,600 MT against 334,600 MT. The exports remain lower on year on year. Canada has shipped 9 MMT of common wheat, which is nearly 44% lower from a year earlier. Canada's durum wheat exports in the week ended May 1 rose to 10% to 47,300 MT from 43,200 MT the previous week. Durum wheat exports over August 1, 2021-May 15, 2022, totaled 2 MMT, falling nearly 61% on the year.

Saudi Arabia has procured 89,290 MT of wheat from local farmers so far on the ongoing wheat procurement season.

Argentina is planning to limit the wheat exports to 12.5 MMT for the 2021-22 MY. The wheat exports has reached 11.2 MMT in 2020-21 MY.

European wheat fell in a correction move and profit taking after a two-week rally on concerns about global supply. Benchmark September milling wheat on Paris-based Euronext closed down 5.50 euros or 1.25% at 432.75 euros (\$453.57) per tonne. The contract had gained nearly 50 euros/tonne or more than 12% in just two weeks

As per sources, Russia may export 39 MMT of wheat in the 2022-23 season, which starts on July 1. In the current season, it is expected that the exports will be at 32.0-32.5 MMT.

As per sources, Iraq's current wheat reserves are sufficient for four months after buying 800,000 tonnes from local farmers.

USDA report is indicating the worsening condition of the U.S. winter crop which is creating supply worries in an already-tight market. The USDA on Monday 27% of the U.S. winter wheat crop in good to excellent condition, which is down by 2 percentage points from the previous week, while spring wheat was 39% planted, below expectations of 43%.

Weather Outlook: Fairly widespread to widespread light/moderate rainfall with isolated thunderstorm/lightning/gusty winds very likely over Jammu & Kashmir, Himachal Pradesh and Uttarakhand; scattered to fairly widespread rainfall activity over Punjab, Haryana, Uttar Pradesh and isolated to scattered rainfall activity over Rajasthan, north Madhya Pradesh during 23rd-24th with peak rainfall intensity on 23rd May and gradual reduction from tomorrow, the 24th May, 2022.

Wheat Daily Prices and Arrivals

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			23-May-22	21-May-22	
Delhi	Lawrence Road	Mill Delivery	2285	2300	-15
	Narella	Mill Quality Loose	2130	2155	-25
	Nazafgarh	Mill Quality Loose	2115	2150	-35
Gujarat	Rajkot	Mill Delivery	2175	2220	-45
	Ahmedabad	Mill Delivery	2300	2340	-40
	Surat	Mill Delivery	2350	2400	-50
	Dhrol	Mill Quality Loose	2225	2270	-45
M.P.	Indore	Mill Delivery	2200	2200	Unch
	Bhopal	Mill Quality Loose	2000	2060	-60
Rajasthan	Kota	Mill Quality Loose	2075	2070	5
		Mill Delivery	2225	2220	5
U.P.	Kanpur	Mill Delivery	2100	2100	Unch
	Mathura	Mill Quality Loose	2180	2150	30
	Kosi	Mill Quality Loose	2200	2190	10
	Hathras	Mill Quality Loose	2200	2140	60
	Aligarh	Mill Quality Loose	2125	2150	-25
Punjab	Khanna	Mill Quality Loose	2100	2070	30
	Ludhiana (Jagraon)	Mill Delivery	2200	2250	-50
Haryana	Sirsa	Mill Delivery loose	2015	2070	-55
	Hodal	Mill Delivery	-	-	-
	Bhiwani	Mill Quality Loose	2100	2100	Unch
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-
Tamil Nadu	Chennai	Mill Quality	2450	2450	Unch
	Madurai	Mill Quality	2507	2507	Unch
	Coimbatore	Mill Quality	2507	2507	Unch
Bihar	Khagariya	Mill Delivery	2200	2250	-50
	Muzaffarpur	Mill Delivery	2080	2100	-20
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	-	-	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	-	-	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			23-May-22	21-May-22	
Gujarat	Rajkot	Lokwan	2250	2250	Unch
M.P.	Indore	Lokwan	2450	2500	-50
	Bhopal	Lokwan	2350	2400	-50
	Bina	Sarbati 306	-	-	-
	Sehore	Sarbati	4000	4000	Unch
	Vidisha	Sarbati	4000	3900	100
Rajasthan	Kota	LokwanBilty	2275	2270	5
	Baran	Lokwan	2350	2400	-50

Wheat Arrivals in Key Centres:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			23-May-22	21-May-22	
Delhi	Lawrence Road	Mill Delivery	6500	7000	-500
	-rella	Mill Quality Loose	2000	1500	500
	-zafgarh	Mill Quality Loose	300	200	100
Gujarat	Rajkot	Mill Quality Loose	1800	1100	700
	Dhrol	Mill Quality Loose	60	40	20
M.P.	Indore	Mill Quality Loose	5000	2500	2500
Rajasthan	Kota	Mill Quality	20000	15000	5000
U.P.	Kanpur	Mill Quality Loose	3000	4000	-1000
	Mathura	Mill Quality Loose	1000	400	600
	Kosi	Mill Quality Loose	2500	3000	-500
	Hathras	Mill Quality Loose	750	450	300
	Aligarh	Mill Quality Loose	300	300	Unch
Punjab	Khan-	Mill Quality Loose	5000	2000	3000
	(Ludhia-)Jagraon	Mill Quality Loose	-	-	-
Harya-	Sirsa	Mill Quality Loose	500	500	Unch
	Hodal	Mill Quality Loose	200	250	-50
	Bhiwani	Mill Quality Loose	300	200	100
	Kar-l	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-

Wheat (CBOT) Future Price: 20.05.2022					
Contract Month	Open	High	Low	Close	Change
22-May	1208	1208	1168	1168.75	-31.75
22-Jul	1213.75	1213.75	1174	1174.5	-31.5
22-Sep	1218.25	1218.25	1178.75	1179.25	-30.75
22-Dec	1210	1214.75	1179.25	1180	-29.5
23-Mar	1185.5	1197.5	1165.25	1166	-26.25
23-May	1125	1130	1098.75	1105	-20

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