

**Wheat Domestic Fundamentals:**

**As per NITI Aayog, the price rise in domestic market is inevitable as the international prices are already on higher side. The international wheat prices rose by almost 30-40 % and in case of India the rise is only about 6-7%.**

**As per sources, India has no immediate plans to lift a ban on wheat exports, but will continue to deal which are done directly with other governments.**

**As per USDA FAS report, in wheat the yield has reduced by 10-15%, decreasing India's wheat crop for 2022-23 MY at 99 MMT. Under the current market supply situation, India's wheat exports in MY 2022-23 would barely touch upon 6 MMT, compared to MY 2021-22 export of 8.5 MMT and MY 2022-23's initial projection of 10 MMT.**

**As per sources, Bangladesh has planned to import 10 LMT of wheat from India under the Government-to-Government contract. Earlier, Bangladesh has completed a tender for the import of around 3 LMT of wheat from India out of which 1.5 LMT is being unloaded at the Chattogram port. Annually, Bangladesh has wheat demand for 75 LMT out of which 11 LMT are produced locally and the rest of it is imported.**

**Currently around 4 ships are waiting at berths for loading of wheat. In Kandla Port, around 190,000 tonnes of wheat are struck for want of fresh approvals and around 1.5-1.6 MMT of wheat is already at the port.**

**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.**

**International Market Update:**

**As per sources, due to too expensive offer, Bangladesh is scrapping an international tender to import 50,000 MT of wheat.**

**In the international market, Russian wheat exports are likely to fall to 8 LMT against 22 LMT exported in the month of April. The CBOT international prices may see some correction as the harvesting in Northern Hemisphere is providing relief to the depleting global stocks.**

**As per sources, UK grain production for 2022-23 MY is expected to reach 22.85 MMT, an increase of 450,000 MT from last year and more than 3.8 MMT higher than 2020-21. Wheat production has improved in 2021-22 to 14 MMT from the previous 40-year low wheat crop, but it is still below expectations.**

**Pakistan is expected to reap around 26.9 MMT of wheat this season against a target of 28.9 MMT. There is an unexpected and early heatwave in mid-March which has shrivelled the wheat grains, also there is poor application of fertilizer (both DAP and urea), either due to unavailability or higher costs, as well as a severe shortage of water also depleted crops.**

**As per sources, Turkey's wheat production is expected to increase by 17.6 percent this year from 2021 to 20 MMT. During the March month, the production forecast was 20.5 MMT which was reduced to 20 MMT in the latest estimate. Turkey's wheat production was 17 million tons in 2021.**

**As of last week, with the winter crop being harvested, the yield reduction is expected to be around 50% on the western part of the country. In Oklahoma, despite recent rains, around 65% of the state remains in the moderate drought to exceptional drought category, and heat conditions have also been rated poor to very poor for 47% of the state. The weather predictions also show no end in sight for the extreme drought conditions with one-week to three-month outlooks showing little hope for above average amounts of rainfall. High temperatures are also anticipated over the next two months.**

**Weather Outlook:** Fairly widespread to widespread light/moderate rainfall with isolated thunderstorm/lightning/gusty winds very likely over Jammu & Kashmir, Himachal Pradesh and Uttarakhand; isolated rainfall activity over Punjab, Haryana, Uttar Pradesh, Rajasthan, north Madhya Pradesh today and reduction from tomorrow. Scattered to fairly widespread light/moderate rainfall with isolated thunderstorm/lightning/gusty winds very likely over Bihar, Jharkhand, Odisha and West Bengal & Sikkim during next 3 days and over Northeast India during next 5 days.

Wheat Daily Prices and Arrivals

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			27-May-22	26-May-22	
Delhi	Lawrence Road	Mill Delivery	2250	2265	-15
	Narella	Mill Quality Loose	2200	2150	50
	Nazafgarh	Mill Quality Loose	2060	2150	-90
Gujarat	Rajkot	Mill Delivery	2125	2170	-45
	Ahmedabad	Mill Delivery	2280	2270	10
	Surat	Mill Delivery	2325	2320	5
	Dhrol	Mill Quality Loose	2360	2240	120
M.P.	Indore	Mill Delivery	2180	2180	Unch
	Bhopal	Mill Quality Loose	2050	2000	50
Rajasthan	Kota	Mill Quality Loose	2025	2050	-25
		Mill Delivery	2175	2200	-25
U.P.	Kanpur	Mill Delivery	2100	2105	-5
	Mathura	Mill Quality Loose	2120	2140	-20
	Kosi	Mill Quality Loose	2125	2200	-75
	Hathras	Mill Quality Loose	2130	2130	Unch
	Aligarh	Mill Quality Loose	2100	2100	Unch
Punjab	Khanna	Mill Quality Loose	2105	2110	-5
	Ludhiana (Jagraon)	Mill Delivery	2200	2200	Unch
Haryana	Sirsa	Mill Delivery loose	2015	2015	Unch
	Hodal	Mill Delivery	-	-	-
	Bhiwani	Mill Quality Loose	2100	2100	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	2250	2250	Unch
	Muzaffarpur	Mill Delivery	2100	2100	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	-	-	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	-	-	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			27-May-22	26-May-22	
Gujarat	Rajkot	Lokwan	2250	2250	Unch
M.P.	Indore	Lokwan	2300	2400	-100
	Bhopal	Lokwan	2400	2350	50
	Bina	Sarbati 306	3600	3600	Unch
	Sehore	Sarbati	3900	3975	-75
	Vidisha	Sarbati	3900	4000	-100
Rajasthan	Kota	LokwanBilty	2225	2250	-25
	Baran	Lokwan	2200	2300	-100

Wheat Arrivals in Key Centres:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			27-May-22	26-May-22	
Delhi	Lawrence Road	Mill Delivery	6500	7000	-500
	-rella	Mill Quality Loose	1500	1200	300
	-zafgarh	Mill Quality Loose	400	500	-100
Gujarat	Rajkot	Mill Quality Loose	1400	1300	100
	Dhrol	Mill Quality Loose	71	128	-57
M.P.	Indore	Mill Quality Loose	7000	12000	-5000
Rajasthan	Kota	Mill Quality	12000	13000	-1000
U.P.	Kanpur	Mill Quality Loose	3000	2500	500
	Mathura	Mill Quality Loose	700	1000	-300
	Kosi	Mill Quality Loose	2500	1500	1000
	Hathras	Mill Quality Loose	800	750	50
	Aligarh	Mill Quality Loose	1000	400	600
Punjab	Khan-	Mill Quality Loose	2000	2000	Unch
	(Ludhia-)Jagraon	Mill Quality Loose	-	-	-
Harya-	Sirsa	Mill Quality Loose	1000	1000	Unch
	Hodal	Mill Quality Loose	400	200	200
	Bhiwani	Mill Quality Loose	500	300	200
	Kar-l	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-

Wheat (CBOT) Future Price: 26.05.2022					
Contract Month	Open	High	Low	Close	Change
22-May	1133	1160.25	1115	1143.25	-5
22-Jul	1140	1168.75	1123.5	1152	-4.75
22-Sep	1150.25	1175	1130.75	1158.75	-4.75
22-Dec	1152.5	1178	1135.25	1161.75	-4.5
23-Mar	1133.5	1164.75	1124.25	1149.5	-3.25
23-May	1090.25	1108.5	1070.75	1104.5	7.25

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