

Wheat Domestic Fundamentals:

India is likely to ship out around 1.2 MMT of wheat as it seeks to clear cargoes which is stuck at ports since last month's sudden ban of exports of the grain. Following the export ban, India has allowed wheat shipments of 469,202 MT, but at least 1.7 MMT are still lying at ports, raising quality concerns due to looming monsoon rains.

As per sources, Bangladesh dependence on Indian wheat has increased and it is likely that it will need to import at least 6.2 MMT of wheat from India.

Currently, wheat flour exports may have jumped at least 7-8 times since the wheat export ban was imposed. Usually, the monthly exports at this time of the year are about 6,000-8,000 MT but since the ban, the exports could be at least 60,000-70,000 MT.

Around 56,000 MT of Indian durum wheat consignment which was turned down by Egypt and Turkey, is currently berthed at an Israeli port as it awaits news of a final destination. As per sources, the wheat shipment was turned down by Turkey because the wheat's protein content was below 13-14%.

Currently, hundreds of trucks were laid with around 4 LMT of wheat which is meant for export to Bangladesh have been stuck at land ports in Bengal for at least three weeks as customs authorities are allegedly refusing their onward journey. The exporters are worried further delay in the transportation of the wheat will cause them losses of crores of rupees as the grain will start rotting because of rains.

Fodder prices have increased drastically in Rajasthan which was earlier prices at INR 200 per quintal which went as high as INR 1000 per quintal. The increase in fodder prices is due to lower acreage of wheat majority of which has been shifted to mustard.

Wheat procurement under the central pool in Rabi Marketing Season (RMS) 2022-23 stood at 184.58 LMT with the MSP value of Rs. 37,192.07 crore benefitting 17.50 lakh farmers.

As per sources, Turkey has rejected an Indian wheat consignment on phytosanitary concerns on May 29. The wheat consignment was detected with Indian Rubella disease and was rejected.

Punjab has contributed around 53% of the total wheat procured for the central pool as over 102 LMT crop had arrived in Punjab mandi's of which 96 LMT was purchased by the government agencies and the remaining over 6 LMT was purchased by private players.

International Market Update:

Kazakhstan is planning to extend the quota for the export of wheat and flour until September 1, 2022. Currently set quota of 1 MMT for the export of wheat and 300,000 MT of flour expires on June 15, 2022.

Jordan has issued an international tender to buy 120,000 MT of milling wheat which can be sourced from optional origins. The deadline for submission of price offers in the tender is said to be June 14. Possible shipment combinations are in the full month of September and the full month of October.

China has gathered 55% of its winter wheat crop as of June 6, passing the 50% mark two days earlier than last year. While the major uncertainty in global wheat supply is how much grain will eventually be shipped from Ukraine, a decent harvest in China will at least alleviate another risk.

Canada's common wheat exports fell by 45.3% week on week basis to 168,900 MT in the week to May 29, compared to 308,500 MT in the previous week. Canada's durum wheat exports in the week ended May 29 stood at 30,800 MT, which is down by 74.1% from 118,700 MT in the previous week. Durum wheat exports over August 1st 2021 to May 29th 2022 totaled at 2.1 MMT, down 60% on the year. In MY 2020-21, Canada exported a total 26.4 million mt of wheat, however, exports have remained weak to date in MY 2021-22 due to poor output and a lack of exportable surplus.

As per Sovecon agency, Russia's wheat exports forecast for MY 2022-23 has been raised by 1.3 MMT to a record high of 42.3 MMT. Exports of all grains from Russia in the 2022-23 MY is currently estimated at 54.5 MMT which would match the record exports in 2017-18 when Russia exported 54.6 MMT of grain.

Weather Outlook: Widespread light/moderate rainfall with isolated heavy to very heavy rainfall very likely over Arunachal Pradesh and Assam & Meghalaya during next 5 days; Sub-Himalayan West Bengal & Sikkim during 08th-11th and over Nagaland, Manipur, Mizoram & Tripura during 09th-11th June. Isolated extremely heavy rainfall also likely over Assam & Meghalaya during 09th-11th June, 2022.

Wheat Daily Prices and Arrivals

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			08-Jun-22	07-Jun-22	
Delhi	Lawrence Road	Mill Delivery	2270	2270	Unch
	Narella	Mill Quality Loose	Closed	2100	-
	Nazafgarh	Mill Quality Loose	Closed	2080	-
Gujarat	Rajkot	Mill Delivery	2150	2140	10
	Ahmedabad	Mill Delivery	2275	2285	-10
	Surat	Mill Delivery	2340	2340	Unch
	Dhrol	Mill Quality Loose	2280	2250	30
M.P.	Indore	Mill Delivery	2190	2230	-40
	Bhopal	Mill Quality Loose	2020	2000	20
Rajasthan	Kota	Mill Quality Loose	2035	2060	-25
		Mill Delivery	2200	2200	Unch
U.P.	Kanpur	Mill Delivery	2120	2130	-10
	Mathura	Mill Quality Loose	2110	2090	20
	Kosi	Mill Quality Loose	2095	2050	45
	Hathras	Mill Quality Loose	2125	2150	-25
	Aligarh	Mill Quality Loose	2100	2050	50
Punjab	Khanna	Mill Quality Loose	2030	2025	5
	Ludhiana (Jagraon)	Mill Delivery	2200	2200	Unch
Haryana	Sirsa	Mill Delivery loose	2020	2020	Unch
	Hodal	Mill Delivery	-	-	-
	Bhiwani	Mill Quality Loose	1930	1930	Unch
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	2150	2150	Unch
Tamil Nadu	Chennai	Mill Quality	2450	2450	Unch
	Madurai	Mill Quality	2507	2507	Unch
	Coimbatore	Mill Quality	2507	2507	Unch
Bihar	Khagariya	Mill Delivery	2150	2150	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
			08-Jun-22	07-Jun-22	
Gujarat	Rajkot	Lokwan	2300	2300	Unch
M.P.	Indore	Lokwan	2200	2250	-50
	Bhopal	Lokwan	2250	2250	Unch
	Bina	Sarbati 306	-	-	-
	Sehore	Sarbati	3500	3600	-100
	Vidisha	Sarbati	3500	3350	150
Rajasthan	Kota	LokwanBilty	2235	2260	-25
	Baran	Lokwan	2350	2400	-50

Wheat Arrivals in Key Centres:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			08-Jun-22	07-Jun-22	
Delhi	Lawrence Road	Mill Delivery	6000	7000	-1000
	-rella	Mill Quality Loose	Closed	1000	-
	-zafgarh	Mill Quality Loose	Closed	400	-
Gujarat	Rajkot	Mill Quality Loose	1200	1700	-500
	Dhrol	Mill Quality Loose	50	70	-20
M.P.	Indore	Mill Quality Loose	7000	2000	5000
Rajasthan	Kota	Mill Quality	8000	10000	-2000
U.P.	Kanpur	Mill Quality Loose	2000	3000	-1000
	Mathura	Mill Quality Loose	500	500	Unch
	Kosi	Mill Quality Loose	800	500	300
	Hathras	Mill Quality Loose	370	400	-30
	Aligarh	Mill Quality Loose	500	400	100
Punjab	Khan-	Mill Quality Loose	2000	2000	Unch
	(Ludhia-)Jagraon	Mill Quality Loose	-	-	-
Harya-	Sirsa	Mill Quality Loose	500	400	100
	Hodal	Mill Quality Loose	100	70	30
	Bhiwani	Mill Quality Loose	500	400	100
	Kar-l	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-

Wheat (CBOT) Future Price: 07.06.2022					
Contract Month	Open	High	Low	Close	Change
22-Jul	1093	1101	1058.5	1071.75	-21.25
22-Sep	1105.25	1112	1071.25	1084.5	-20
22-Dec	1117	1123	1082.75	1096.75	-18.5
23-Mar	1121.25	1122.5	1093	1107	-17.25
23-May	1130.5	1132.25	1097.25	1112	-16.25
23-Jul	1106	1115	1078.25	1095	-11.75

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