

Wheat Domestic Fundamentals:

Mixed sentiments observed in today's Wheat cash markets. Due to notification released related to restriction on Wheat flour export, prices decline in domestic market. In major markets like Kota, Kanpur and Kosi prices decline by Rs.40 to 60 per quintals on released notification. While in Khanna and Indore prices rose by Rs.20 per quintals on good demand. On commencement of festive demand, Prices will trade up in the medium to long term.

Government put restrictions on export of Wheat products like Wheat flour, Maida and Semolina and amended export policy which notifies that exporter need prior permission from IMC for export of Wheat products. Aim of this step is to discourage exports of Wheat products to keep domestic supplies steady and prices under control. This notification will come into effect from August 14th. However, until August 14th those consignments that have already been handed over to the customs and where loading had already been taken place will be allowed to be dispatched.

Import duty on Wheat might get scrapped. In order to control soaring domestic Wheat prices that may accentuate inflationary pressures, the Centre is likely to scrap the 40% import duty on Wheat soon. However, duty cut may not be very effective in the current context to cool local prices as domestic prices are much cheaper than the current global prices. Besides scrapping import duty, the Centre is also looking at imposing stock holding limits on Wheat and voluntary disclosure of Wheat stocks held by stockiest, traders and millers.

International Market Update:

As per Sovecon, Russia exported 7.8 LMT of grains last week as compared to 6.5 LMT in previous week results in decline of FOB prices to \$355/tonnes. Amid strong demand from exporters pressurize the domestic prices in southern regions of Russia.

Pakistan has requested to supply Wheat at \$390 per LMT against the Russian offer at \$400 per LMT. It would be interesting to see whether the Russian Govt. accepts the request. Earlier the supply offer was made at \$410 per LMT. As per the sources, in compliance with the decision of the Federal Cabinet by ECC on June 28 for the import of 30 LMT of Wheat, Trade corporation of Pakistan initiated the process of import from the Russian government on G2G basis.

Kazakhstan's grain union sees 2022 Wheat crop at 144 LMT. Country's grain union forecasts the 2022 Wheat crop at 144 LMT above from Government forecast of 135 LMT. While on the other hand, domestic prices might get pressurized as result of good crop prospects from Russia.

Premium Quality Wheat Daily Prices

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			9-Aug-22	8-Aug-22	
Gujarat	Rajkot	Lokwan	2500	2475	25
M.P.	Indore	Lokwan	2500	2600	-100
	Bhopal	Lokwan	2400	2400	Unch
	Bina	Sarbati 306	-	-	-
	Sehore	Sarbati	3500	3500	Unch
	Vidisha	Sarbati	3350	3350	Unch
Rajasthan	Kota	Lokwan Bilty	2450	2530	-80
	Baran	Lokwan	Closed	2370	-

Wheat Daily Prices and Arrivals

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			9-Aug-22	8-Aug-22	
Delhi	Lawrence Road	Mill Delivery	2530	2530	Unch
	Narella	Mill Quality Loose	2310	2300	10
	Nazafgarh	Mill Quality Loose	2310	2350	-40
Gujarat	Rajkot	Mill Delivery	2400	2400	Unch
	Ahmedabad	Mill Delivery	2500	2500	Unch
	Surat	Mill Delivery	2550	2560	-10
	Dhrol	Mill Quality Loose	2365	2355	10
M.P.	Indore	Mill Delivery	2420	2400	20
	Bhopal	Mill Quality Loose	2200	2200	Unch
Rajasthan	Kota	Mill Quality Loose	2160	2200	-40
		Mill Delivery	2310	2350	-40
U.P.	Kanpur	Mill Delivery	2460	2470	-10
	Mathura	Mill Quality Loose	2315	2330	-15
	Kosi	Mill Quality Loose	2280	2340	-60
	Hathras	Mill Quality Loose	2400	2400	Unch
	Aligarh	Mill Quality Loose	-	2320	-
Punjab	Khanna	Mill Quality Loose	2320	2300	20
	Ludhiana (Jagraon)	Mill Delivery	2300	2300	Unch
Haryana	Sirsa	Mill Delivery loose	2200	2235	-35
	Hodal	Mill Delivery	-	-	-
	Bhiwani	Mill Quality Loose	2300	2300	Unch
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	2425	2400	25
Tamil Nadu	Chennai	Mill Quality	2750	2700	50
	Madurai	Mill Quality	2807	2757	50
	Coimbatore	Mill Quality	2807	2757	50
Bihar	Khagariya	Mill Quality Loose	2600	2600	Unch
	Muzaffarpur	Mill Quality Loose	2500	2500	Unch
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	2400	2400	Unch
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	2410	2410	Unch

Wheat Arrivals in Key Centres:

Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			9-Aug-22	8-Aug-22	
Delhi	Lawrence Road	Mill Delivery	8000	10000	-2000
	Narella	Mill Quality Loose	700	500	200
	Nazafgarh	Mill Quality Loose	500	350	150
Gujarat	Rajkot	Mill Quality Loose	600	800	-200
	Dhrol	Mill Quality Loose	30	56	-26
M.P.	Indore	Mill Quality Loose	3500	2500	1000
Rajasthan	Kota	Mill Quality	8000	6000	2000
U.P.	Kanpur	Mill Quality Loose	800	800	Unch
	Mathura	Mill Quality Loose	250	400	-150
	Kosi	Mill Quality Loose	400	300	100
	Hathras	Mill Quality Loose	150	200	-50
	Aligarh	Mill Quality Loose	-	350	-
Punjab	Khanna	Mill Quality Loose	3000	9000	-6000
	(Ludhiana)Jagraon	Mill Quality Loose	-	-	-
Haryana	Sirsa	Mill Quality Loose	200	400	-200
	Hodal	Mill Quality Loose	100	100	Unch
	Bhiwani	Mill Quality Loose	400	300	100
	Karnal	Mill Delivery	-	-	-
	Panipat	Mill Quality Loose	-	-	-

Wheat (CBOT) Future Price: 08.08.2022					
Contract Month	Open	High	Low	Close	Change
22-Sep	776.5	793.75	760.75	779.75	4.00
22-Dec	796.25	812.25	780.5	799.25	4.00
23-Mar	814.75	829.75	799	817.25	3.25
23-May	822.75	839.75	812.5	829	2.75
23-Jul	820.5	840	813.75	830	2.50
23-Sep	833	842	817.5	834.5	2.50

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