Wheat Monthly Research Report

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Market Dynamics: (Back to Table of Contents)

Price Trend: *All India average monthly prices for wheat decrease by 0.21 percent from Rs 1931.81 in Feb -2021 to Rs 1927.89 per qtl in Mar -2021. Average price in Mar -2021 was lower by 3.89 percent compared to Rs 2005.87 per quintal registered in Mar-2020. Prices are expected to remain steady to slight firm from here due to high export demand, and arrival of new crop with Govt procurement.*

AW Production Estimate for Rabi 2021: *Agriwatch has preliminary estimated the production for 2021 is 104 MMT compared to 103.21 MMT last year. Production is higher this year due to better yields and higher area compared to last year. Total availability is likely to increase from 124.13 MMT in 2020-21 to 129.88 MMT this year.*

FoB/CiF Quotes: *Indian FoB quote is hovering at between $247.96-251.94 per tonne in the month of March. Against it, Ukraine, France, U.S and Australia were offering wheat at $255-$290, $219.75-$244, $263.74-270.98 and $235.38-255.05 per tonne respectively. Indian FoB quote is based on local prices.*

Export: *India exported 3.50 lakh tonnes of Wheat at an average FOB of $263 per tonnes in February. Total export in MY 2020-21 was registered around 1.54 million tonnes. The exports have picked up because the low prices domestically have made Indian Wheat competitive due to good demand from neighbouring countries. Exports will increase on an average compared to last year.*

Import: *As per trade sources, India has imported 6380 tonnes of Australian wheat during the month of October"20. The government has increased import duty from 30 percent to 40 percent to reduce imports and provide support to domestic sellers. Imports are expecting to be low this year due to adequate domestic availability, low prices, and the increase in import duty. The imported wheat is currently of high-quality wheat, which is getting used for research purposes.*

Supply-Demand: *The demand is emerging back after the central government stopped giving free wheat from Nov 30, 2020. Trades in the south are low due to increased container prices, and another hand, demand from private companies, is good, giving support to the market. The export trade in wheat is good. Given the rain forecast again in April, the market may respond with higher prices if there are any reports of substantial damage to the wheat crop going ahead. Increased export demand in the international market is also supporting the domestic market. In such a situation, the wheat price is expected to trade steady to slightly firm.*

Weather Update: *A dust storm followed by rain hit several Punjab Tuesday night areas affecting standing crops over 11,645 hectares in at least four districts. The storm is likely to hit crop yield in the affected area by 2 to 3%. According to the Department of Agriculture, the districts where the crop has been affected are Ludhiana, Fatehgarh Sahib, Bathinda, and Mohali. This damage is to crop covering 0.33% of the total area under wheat in Punjab, said the report. In Ludhiana, the damage is the maximum around 6,275-hectare area under wheat the yield might be affected by 1 to 1.5%in this area.*

E-Auction: *The government has sold 96820 tonnes of Wheat in OMSS through E-Auctions in the month of March '21, which is 3740956 tonnes lower compared to last month. Till now, no rakes have been sold. The sale of Wheat to the bulk consumer is 240 tonnes, and Wheat's sale to the state Govt. 96580 tonnes. Since April 20, the total quantity of Wheat is sold through OMSS is 2347336 tonnes till now.*

Procurement Target: *Government has fixed wheat procurement target at 42.73 MMT for 2021-22 which is higher by 3.74 MMT. Last year government was unable to complete its procurement target. For the marketing year 2020-21, procurement is completed at 38.99 MMT in September 20.*

Outlook & Recommendation: *Wheat market is expected to trade steady to slightly firm in coming month.*

Trade Call: *Stakeholders should trade in April contract taking care of lower and upper price tag of Rs. 1797 respectively.*

India's Wheat Balance Sheet For 2021-22:

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	Wheat MY Runs from April To March (Figures in MMT)	2020-21	2021-22
A	**Carry in**	**20.92**	**25.55**
B	Production	103.21	104
C	Imports	0.00	0.00
D	**Total Availability (A+B+C)**	124.13	**129.55**
E	Consumption	96.99	97.30
F	Exports	1.59	1.00
G	Total Usage (E+F)	98.58	98.30
H	**Carry out (D-G)**	**25.55**	**31.25**
I	Av Monthly Consumption	8.08	8.11
J	Stock to Month Use	3.16	3.85
K	Stock to Consumption Ratio	0.03	0.04

*Agriwatch Wheat Production Estimate for Marketing Year 2021-22

Supply-Demand Highlights:

As per Agriwatch estimates, production will be around 104 MMT compared to 103.21 MMT last year. Production will be higher this year due to increased yields and area. Total availability increased to 129.84 MMT from 124.13 MMT in MY 2021-22.

Carry out is expected to be around 31.84 MMT for 2021-22 compared to 25.55 MMT for 2020-21. The domestic availability of wheat is good. Prices are likely to trade steady to slight firm. Good domestic availability will ensure that there is no unexpected surge in prices.

Stock in the central pool as of 1st March'21 stood at 295.41 lakh tonnes higher by 6.83% compared to last month. This quantity is higher by around 4.60% compared to last year for the same month. The government has already applied import duty on wheat to curb imports and provide support to domestic prices. Therefore, the government has abundant supplies this year to tackle any unexpected rise in wheat prices and demand by selling more quantity in the open and international market.

Domestic Market Highlights:

According to the Union Secretary, Department of Food & Public Distribution, A total quantity of 427.363 lakh tonnes wheat has been estimated for procurement during the forthcoming RMS 2021-22 which is 9.56 per cent more than the 389.93 lakh tonnes procured during RMS 2020-21. Wheat procurement for Rabi 2021-22 has started smoothly in the procuring states of Haryana, U.P., M.P., Rajasthan, and Gujarat 3,49,786 MTs of Wheat (up to 05.04.2021) against last year corresponding purchase of 60 M.T.

As per the interactions with farmers 60-70% of wheat was harvested before bad weather hit the area. Color and shine of 30-40% crop standing in the field got deteriorated, which would lead to 30-40% losses on selling price for farmers. Secondly, logging due to rain increased the labour cost for harvest since logged and wet wheat on field cannot be harvested by thresher or combine harvester. Due to harvesting of wet wheat its grain temperature increases, which leads to allocation of less rates to farmers.

The Uttar Pradesh government is gearing up to purchase wheat from farmers till their stocks last. The purchase will start from tomorrow on the fixed minimum support price (MSP) of Rs 1,975 per quintal for the 2021-22 season, an increase of Rs 50 per quintal than last year. Uttar Pradesh food commissioner said 6,000 procurement centres will be opened across the state by the Food Department and other purchasing agencies.

According to 2nd Government estimate, India is likely to harvest a record 109.24 million tonnes of wheat this year, the agriculture ministry said, further boosting stocks at government granaries that are fast running out of storage space due to more than a decade of bumper production. Wheat output in India, the world's second-biggest producer, is expected to go up by 1.3% in the crop year to June 2021, the Ministry of Agriculture and Farmers' Welfare said in its second crop forecast for 2020-21. Whereas Agriwatch estimates its wheat production estimate for MY 2020-21 will be 104 MMT.

Due to rising COVID-19 cases and late crop maturity, wheat procurement in Punjab has been rescheduled few days late from April 10 following the state government's request, according to the Union Food Ministry. In Haryana Wheat procurement is going to start from April 1. Under the farmer movement, the state government is looking very serious about purchasing crops this year.

Wheat WPI has increased from 147.9 in November-20 to 147.3 in December-20. Monthly wheat inflation has decreased by 0.41 percent in December -2019 compared to the previous month and increased by 12.49 percent from December-19.

As per market experts, bumper production seems on the card despite lower area in Rajasthan, Punjab, Uttar Pradesh, Gujarat, and Uttrakhand. According to the Agriwatch preliminary estimate, this year, there will be a record wheat production. Wheat production during Rabi 2021-22 is estimated at 106 MMT as good condition, which is 1.70% higher than last year's production of 103.21 MMT. Production of wheat is expected to increase, followed by higher acreage amid an increase in Madhya Pradesh and Maharashtra. Secondly, prolonged cold waves and winter rainfall in certain states have contributed to the rise in wheat yield.

The Haryana government has relaxed procurement norms allowing farmers to bring their produce to mandis without schedule but most wheat reaching in the grain markets do not fit the procurement guidelines. Farmers reaching the mandis said that procurement agencies did not procure their produce due to higher moisture content and wheat crop is being scattered in mandis to bring down the moisture content to the permissible limit of 12%.

Out of Saurashtra, there is no demand for wheat in the South this year. The cost does not come down as container fares increase. The effect of which has also led to a drop in sentiment. On the other hand, the market is supported by good demand from companies. If the companies had not made a purchase, there would have been a significant drop in prices, which has not happened.

Final Sowing Status 2021-22:

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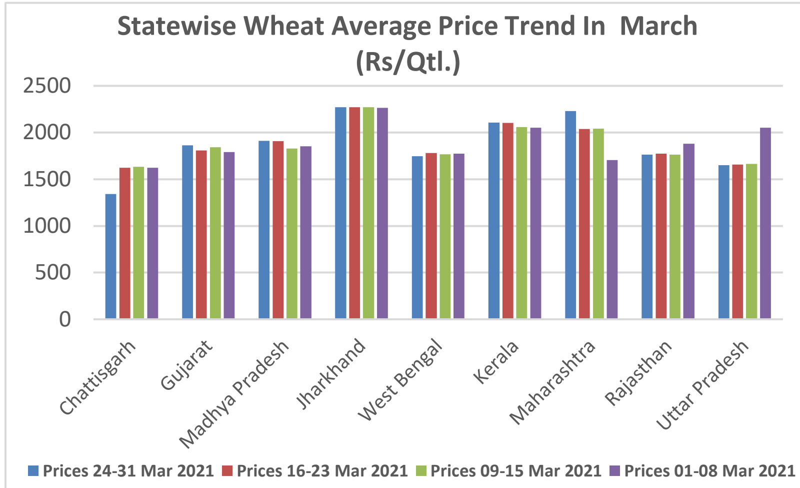
State Wise Wheat Sowing in Lakh Hectares					
State	**Normal area (2021)**	**2019**	**2020**	**2021**	**% Change 2021 vs. 2020**
Bihar	21.25	22.88	22.71	22.299	**-1.81**
Chhattisgarh	1.05	1.68	1.88	2.01	**6.91**
Gujarat	9.62	8.07	13.95	13.66	**-2.08**
Haryana	25.45	25.16	24.9	25.21	**1.24**
Himachal Pradesh	3.31	3.0	3.4	3.4	**0.00**
J&K	2.95	2.43	2.21	2.5	**13.12**
Jharkhand	1.84	2.15	2.11	2.31	**9.48**
Karnataka	1.76	2.04	1.96	1.89	**-3.57**
Madhya Pradesh	57.55	60	79.68	87.98	**10.42**
Maharashtra	10.21	5.6	10.71	11.64	**8.68**
Punjab	35.08	35.2	35.16	35.1	**-0.17**
Rajasthan	29.89	28.25	33.14	32.62	**-1.57**
Uttar Pradesh	97.87	99.13	99.05	99.04	**-0.01**
Uttarakhand	3.38	3.45	3.48	3.27	**-6.03**
West Bengal	2.45	1.02	2.52	1.88	**-25.40**
Others	NA.35	NA.23	0.09	0.1	**11.11**
All-India	**303.27**	**300.35**	**336.42**	**346.35**	**2.95**

Source: Ministry of Agriculture

Final Wheat Procurement RMS 2019-20 (Source: FCI)

State/UTs	**Procurement as of September-2020 (Figures in LMT)**		
	FCI (A)	**State Agency (B)**	**Total (A+B)**
Punjab	14.20	112.94	127.14
Haryana	6.70	67.28	73.98
Uttar Pradesh	1.34	34.43	35.77
Madhya Pradesh	0.00	129.35	129.35
Bihar	0.00	0.05	0.05
Rajasthan	16.29	5.96	22.25
Others	0.14	1.15	1.29
All-India	**38.67**	**351.16**	**389.83**

Monthly Average Price Comparison:

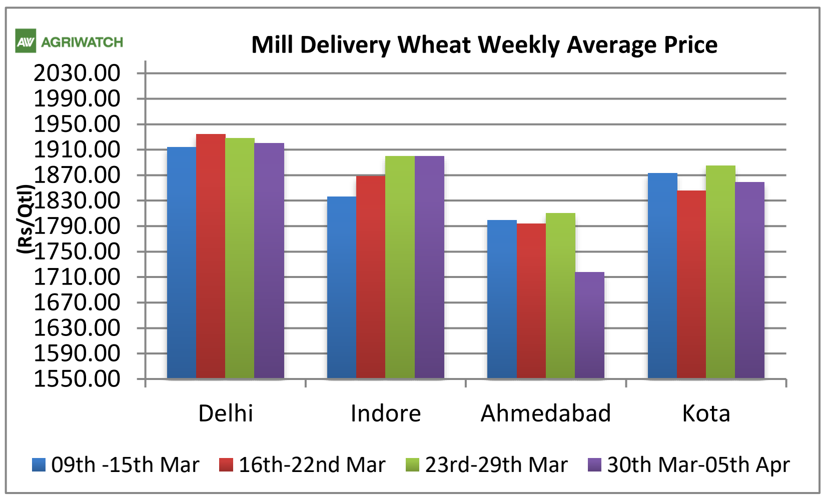


India's average monthly prices for wheat decreased by 0.21 percent from Rs. 1931.88 in February - 2021 to Rs. 1927.79 per quintal in March -2021. The slowdown in the wheat market is over, and the price is expected to improve gradually. The central government has stopped giving free Wheat, so the surplus supply in Wheat has now reduced, and the demand for mills is slowly coming to the fore. There's also widespread export demand for Indian Wheat recently, which supports domestic prices in March too. Agriwatch expects that Wheat would trade steady to slightly firm due to Govt procurement and demand from the south mills and export markets.

Mill Delivery Wheat Weekly Average Price Movement at key Spot Market:

Wheat's average mill delivery prices remained low in all market, in the week ending during 30th Mar– 05th Apr 2021. Most of the markets were closed due the festival of Holi and March closing.

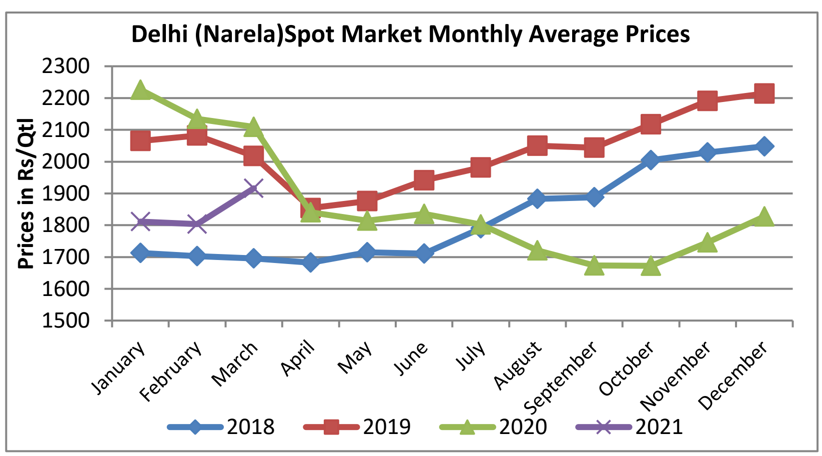
Markets had shown steady movement in prices last week due to low arrival and Holi festival. Wheat is likely to trade steady to slightly firm in upcoming weeks. As procurement has also started in almost all the major producing states.



Wheat Delhi Average Monthly Price:

The wheat spot market Delhi (Narela) average price decreased from Rs 1803.42 per quintal in Feb-2021 to Rs 1916.20 per quintal in Mar-2021. Prices are likely to touch Rs 1880-1930 per quintal in the Narela market in the upcoming weeks.

The prices increased by 6.25 percent compared to last month and decreased by 9.15 percent compared to the corresponding month last year. Arrivals in Narela have increased by 46.84 percent quintal from 3950 quintals in Feb to 5800 quintals in the month of Mar-2021.



Wheat Exports:

According to the latest update, India exported around 3.5 lakhs tonne wheat in the month of February-2021. It is around 0.5 lakh tonnes lower compared to the export quantity (4 lakh tonnes) in Jan-2020.
The overall conditions for Indian wheat export are now favourable, and export opportunity is here as parity comes in favour of India now.
An export volume would increase in the coming months as prices in the domestic market ruling lower which can elevate the demand in the international market. The recent price in China is $350 per tonne and the wheat export price in India is $260. Russia has been applying export tax of $30.40 per ton on wheat exports since February 15, due to which the Indian wheat demand will also increase.

Source: DGCIS/Private Traders

Year/Month	Wheat Export (Lakh Tonnes)	Average FoB ($/T)	CBOT Average Quotes ($/MT)
Apr-14-Mar-15	2924	279.96	230.37
Apr-15-Mar-16	666	294.88	179.9
Apr-16-Mar-17	265	338.38	157.04
Apr-17-Mar-18	322	NA	162.36
Apr-18-Mar-19	226	389.15	185.15
Apr-19-Mar-20	207.58	451.42	186.86
20-May	0.41	NA	187.31
20-Jun	0.38	174.26	192.76
20-July	0.40	136.13	197.11
20-Aug	0.64	142.56	200.39
20-Sep	1.11	252.87	203.46
20-Oct	1.46	262.24	223.34
20-Nov	1.85	238.40	219.53
20-Dec	1.54	238.06	221.38
21-Jan	4.00	263	240.61
21-Feb	3.5	268	233.23
Total 2019-20(000T)	**15.29**	**219.50**	**209.54**

Wheat Import:

India has imported 6.38 thousand tonnes of wheat in October, first time since the month of Mar-2020. Before this India has imported 0.19 thousand tonnes of wheat in Feb-20. Imports are expected to remain at the lower side this year due to good domestic availability.
FoB quote in the Black Sea region is hovering around $242.00 per tonne in Russia 290.50 per tonne and $254.93 per tonne in Ukraine. The United States and France are also providing wheat at $263 per tonne and 260.93 per tonne. The government has increased import duty from 30% to 40% to curb imports and provide support to domestic prices.

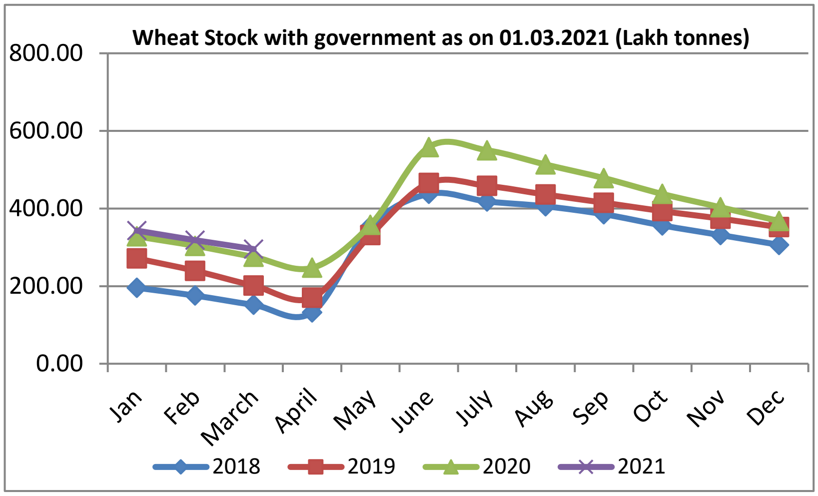
Source: DGCIS/Private Traders

Year/Month	Wheat Import (In Thousand Tonne)	Average CiF ($/T)	CBOT Average Quotes ($/MT)
Apr-16-Mar-17	5957.79	220.13	157.04
Apr-17- Mar18	1616.97	NA	162.36
Apr-18- Mar19	1.00	239.52	185.15
Apr-19- Mar-20	500.81	229.51	185.35
20-Apr	NA	NA	198.98
20-May	NA	NA	187.31
20-Jun	NA	NA	192.76
20-July	NA	NA	197.11
20-Aug	NA	NA	200.39
20-Sep	NA	NA	203.46
20-Oct	0.06	NA	223.34
20-Nov	NA	NA	219.53
20-Dec	NA	NA	240.61
Total 2019-20 (000T)	1.801	174.26	185.35

Wheat Stock with the Government:

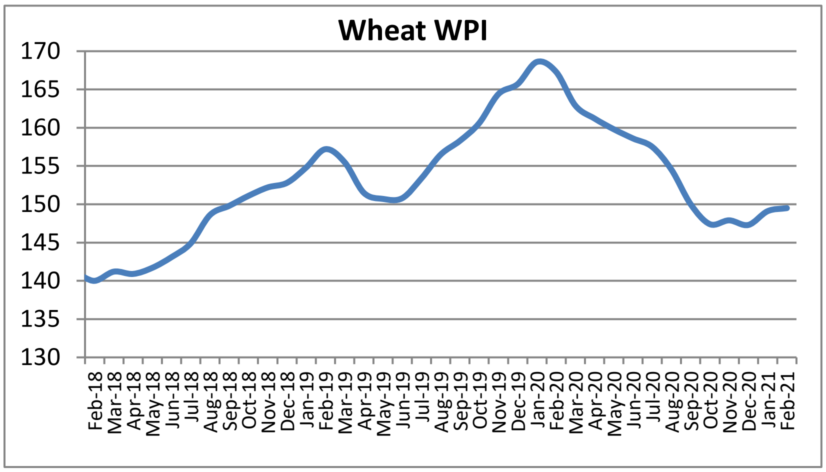
On 01.03.2021 was around 295.41 lakh tonnes. It is lower by 7.19 % from Feb-2021. Stock in the central pool as of 01st Mar 2021 is higher by 7.34 percent compared to last year for the same month. The government has increased its procurement target to 42.73 MMT for MY 2021-22 from 38.83 MMT last year.

The government has cut the reserve price for Lustreless wheat procured in 2019-20 (Apr-Mar) by nearly 12% to 1,840 rupees per 100 kg from 2,080 rupees earlier to push out old stock.



Wheat Inflation:

Wheat WPI has increased from 149.5 in Feb-2021 to 149.1 in Jan-2021. Monthly wheat inflation has increased by 0.27 percent in Feb-2021 compared to the previous month. As compared to Feb-2020 wheat WPI has increased by around 11.91 percent. Wheat WPI is expected to stay steady to slightly firm in the coming month. Food grains WPI decreased by 0.19 in Feb-21 to 157.2 Compared to Dec-20.



Weight: 1.02823, base year-2011-12=1000.

Month/Year	2017	2018	2019	2020	2021
Jan	151.3	140.8	154.8	168.6	149.1
Feb	149.3	140	157.8	167.3	149.5
Mar	142.9	141.2	155.5	162.9	
Apr	141	140.9	151.5	162.5	
May	137.5	141.7	150.7	159.8	
Jun	136.1	143.1	150.8	158.6	
Jul	136.3	144.9	153.4	157.5	
Aug	137.1	148.6	156.5	154.52	
Sep	137.6	149.8	158.3	150	
Oct	138	151.1	160.6	147.4	
Nov	139.4	152.2	4.4	147.9	
Dec	139.4	152.8	165.7	147.3	

Source: Agriwatch

Monthly Price Comparison of Spot Markets:

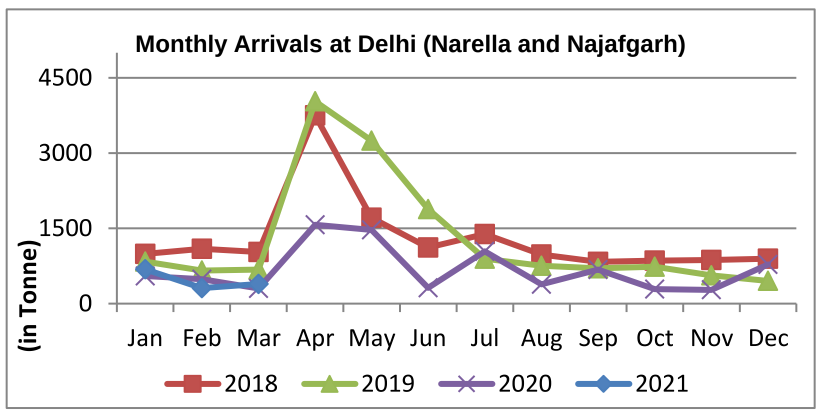
Monthly Average Spot Prices At Various Market(Rs/Quintal)					
Month	**Delhi**	**Indore**	**Kota**	**Rajkot**	**Chennai**
Mar-20	2184.41	1972.5	2016.18	1783.52	2350
Apr-20	1964.16	1972.5	1729.33	1772.27	2350
May-20	1966.92	1972.5	1837.89	1813.07	2350
Jun-20	1973.26	1885.76	1745.38	1799.4	2350
Jul-20	1976	1883.2	1877.7	1821.04	2179
Aug-20	1856.73	1770.23	1752.1	1695.83	2044.73
Sep-20	1821.37	1729.66	1680	1621.88	2000
Jun-20	1973.26	1885.76	1745.38	1799.4	2350
Jul-20	1976	1883.2	1877.7	1821.04	2179
Aug-20	1856.73	1770.23	1752.1	1695.83	2044.73
Sep-20	1821.37	1729.66	1680	1621.88	2000
Oct-20	1824.23	1666.42	1726.4	1664.61	1956
Nov-20	1869.32	1734.21	1751.25	1692.75	1987.5
Dec-20	1826.92	1676.04	1717.82	1694.2	1991.3
Jan-21	1961.04	1836.73	1878.12	1841.04	2010
Feb-21	1935.41	1813.18	1661.30	1811.04	2070.83
Mar-21	1916.2	1853.8	1872.6	1799.73	2108

Spot Market Price:							
Centre	**Market**	**Variety**	**Prices (Rs/Qtl)**				
			Today	**Yesterday**	**Week Ago**	**Month Ago**	**Year Ago**
			09-Apr-21	**08-Apr-21**	**02-Apr-21**	**09-Mar-21**	**10-Apr-20**
Delhi	Lawrence Road	Mill Delivery	1950	1970	1880	1900	Closed
	Narella	Mill Quality Loose	1770	1780	1700	1740	Closed
	Nazafgarh	Mill Quality Loose	1810	1810	1770	1720	Closed
Gujarat	Rajkot	Mill Delivery	1715	1710	1720	1795	Closed
	Ahmedabad	Mill Delivery	1825	1810	1810	1880	Closed
	Surat	Mill Delivery	1910	1910	1850	1925	Closed
	Dhrol	Mill Delivery	NA	NA	0	0	Closed
M.P.	Indore	Mill Delivery	1830	1830	Closed	1830	Closed
	Bhopal	Mill Quality Loose	1740	1750	Closed	1750	Closed
Rajasthan	Kota	Mill Quality Loose	1720	1690	1625	1740	Closed
		Mill Delivery	1870	1840	1820	1890	Closed
U.P.	Kanpur	Mill Delivery	1720	1735	1680	1700	2100

	Mathura	Mill Quality Loose	1700	1730	1735	1715	1970
	Kosi	Mill Quality Loose	1750	1750	1700	1760	2000
	Hathras	Mill Quality Loose	1780	1775	1720	1710	Closed
	Aligarh	Mill Quality Loose	1740	1755	1700	1690	1970
Punjab	Khanna	Mill Quality Loose	Closed	Closed	Closed	1780	Closed
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	0	0	0
Haryana	Sirsa	Mill Delivery loose	1975	1860	1850	1800	Closed
	Hodal	Mill Delivery	0	0	0	0	Closed
	Bhiwani	Mill Quality Loose	1860	1840	Closed	1780	Closed
	Karnal	Mill Delivery	NA	NA	0	0	0
	Panipat	Mill Quality Loose	NA	NA	0	0	0
Tamil Nadu	Chennai	Mill Quality	2100	2100	2100	2100	Closed
	Madurai	Mill Quality	2157	2250	2250	2200	Closed
	Coimbatore	Mill Quality	2157	2300	2300	2250	Closed
Bihar	Khagariya	Mill Delivery	1800	1700	1600	1800	Closed
	Muzaffarpur	Mill Delivery	1680	1640	1650	1800	Closed

Monthly Arrivals at Delhi:

Arrivals in the Delhi region (Narela and Najafgarh) increased to 393 tonnes in Mar-2021 compared to 309.5 tonnes in Feb-2021. Due to arrival of new crop in the mandis.

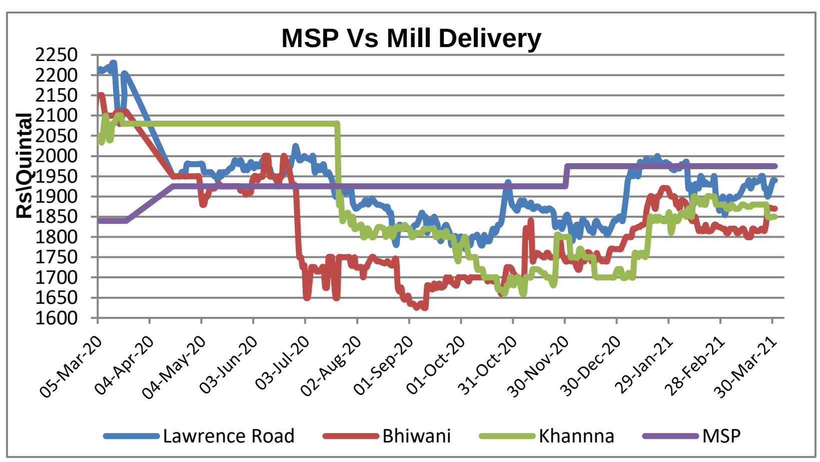


Domestic Outlook:

The wheat cash market is expected to trade steady to slightly firm in Apr-21 under normal conditions with some recovery in between.

MSP vs. Mill Delivery Prices:

As of now Mill delivery prices in in all markets are below MSP and are likely to move steady to slightly firm in the coming month. The government set the minimum support price (MSP) of wheat Rs 1925 per quintal in 2019-20, now Government has increased the price from 1925 to 1975 per quintal for 2020-21. As the chart depicts mostly mill delivery prices remained under MSP during MY 2020-21.



Wheat Technical Analysis:

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Wheat – Technical Outlook

Technical Commentary:

- A price decrease denotes wait interest in the market.
- RSI is in the neutral region.
- Prices closed below 9 and 18 Day EMAs.
- Candlestick pattern shows a bullish movement in the market.

Strategy: Stay Away

Intraday Supports & Resistances			**S1**	**S2**	**PCP**	**R1**	**R2**
Wheat	**NCDEX**	**March**	-	-	-	-	-
Pre-Market Intraday Trade Call*			**Call**	**Entry**	**T1**	**T2**	**SL**
Wheat	**NCDEX**	**March**	**WAIT**	1852	-	-	-

* Do not carry-forward the position next month.

Note- Due to zero volume, there's no virtual trade in given chart.

International Market Dynamics

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Russia's complicated export tax is throwing a wrench in traders' ability to sell Russian wheat for future delivery. The current flat tax will change to a floating tax this summer and will be assessed once cargos sail, not when they are sold, making it risky to book advance sales of Russian wheat. Analysts warn that the uncertainty could lead to a higher risk premium on Russian wheat.

Canada's Ministry of Agriculture predicts the country's wheat production will drop 4% in 2021/22 on lower expected yield and reduced planted area. Total Canadian wheat exports are forecast to fall 5% from 2020/21 to 20.0 MMT.

IKAR, A Russian consultancy forecast Russia's wheat crop in 2021/22 to be 79.8 MMT compared to 78.0 MMT in 2020/21. Exports are predicted at 39.5 MMT.

China An executive with COFCO, China's state affiliated trading company, this week said that French wheat would be more competitive in the Chinese market if it were higher quality wheat, reported Reuters. The lower-protein wheat commonly grown in France is similar to domestic Chinese wheat. France sold a record amount of wheat to China in 2020, 2.5 MMT.

Ukraine's Farmers in Ukraine are nearly a month behind their planting schedule that usually begins at the end of February. Snow and wet conditions kept farmers out of their fields until the end of March. Russian wheat farmers are also delayed but only by about ten days. One analyst put planting 70% behind the same time last year but added that he is optimistic farmers can catch up. SovEcon raised Russia's wheat production forecast to 79.3 MMT.

Ukraine's economy minister said Ukraine will not reach its 17.5 MMT wheat quota this season following slower than expected wheat exports. He noted that exports are 500,000 MT behind the predicted forecast year-to-date.

Australian farmers, following their largest ever wheat crop in 2020, are seeing the cost of farm inputs such as fertilizer and machinery climb higher, and supplies may not be available say many growers. Farmers are betting on back-to-back bumper crops. The Australian Bureau of Agricultural and Resource Economics and Sciences predicts wheat production for 2021/22 to be 25.0 MMT, down 25 percent from 2020/21.

France France's winter wheat crop is rated 87 percent good or excellent, in line with the five-year average and well above the 63 percent good or excellent rating at this time last year.

Argentina Argentine farmers are expected to plant over 7.0 million hectares of wheat in 2021/22, up 4% compared to 2020/21, announced the agriculture ministry. The ministry also predicted that farmers could export as much as 14.0 MMT of wheat in 2021/22.

Europe The European Commission forecast production of common wheat in the European Union at 126.7 MMT for 2021/22 compared to 117.1 MMT in 2020/21. The Commission expects exports to reach 30.0 MMT.

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Global Indicative FoB Quotes							
Month	US SRW2 (USD/MT)	US HRW2 (USD/MT)	Argentina P1 (USD/MT)	Ukraine 12.5% (USD/MT)	Russia 12.5% (USD/MT)	Rouen 11% (EUR/MT)	Australia ASW1 (AUD/MT)
20-Mar	240.87	229.22	NA	209.57	210.48	184.33	375.55
20-Apr	237.13	234.21	NA	224.1	222.72	193.75	257.07
20-May	214.58	223.48	NA	227.5	NA	193.25	248.85
20-Jun	208.78	217.7	NA	197.73	198.64	190.5	237.96
20-Jul	228.82	223.55	NA	202.22	202.61	178.5	233.83
20-Aug	229.69	235.53	NA	203.58	203.63	184.94	232.35
20-Sep	260.2	246.3	245	227	227.45	188.25	226.22
20-Oct	NA	NA	254.26	248.91	248.41	204.19	224.46
20-Nov	264.3	266.3	255	254.93	207.25	230.31	232.28
20-Dec	279	281	254	256.52	256.33	208.82	226.51
21-Jan	283	282	NA	289.7	292.81	210.21	253.11
21-Feb	285	289	254.26	NA	287.90	230.49	254.68
21-Mar	277	263	261	249	255	233	266
Source: Reuters							

Spot Prices Black Sea Region					
Date	05.04.2021	03.02.2021	30.12.2020	02.12.2020	30.09.2020
Odessa, FOB($/tonnes)					
Milling wheat 12.5%	242-248	280-286	280-290	254-260	250-255
Milling wheat 11.5%	242-248	280-286	280-290	254-260	249-255
Feed wheat	-	267-270	267-270	246-249	238-241
Novorossiysk, FOB($/tonnes)					
Milling wheat 12.5%	246-250	283-288	280-290	254-260	252-255
Milling wheat 11.5%	246-250	280-286	280-290	253-259	249-255
Feed wheat	-	-	-	-	-

Source: Reuters

IGC Wheat Balance Sheet					
(Fig. in MMT)	2017-18	2018-19	2019-20 est.	20/21 forecast	
				25.02.2021	25.03.2021
Production	762	733	764	**773**	**774**
Trade	176	169	187	**188**	**190**
Consumptions	739	739	752	**756**	**760**
Carryover stocks	271	265	295	**294**	**292**
Y-O-Y change	22	-7	19	**15**	**14**
Major Export	83	70	64	**64**	**63**

IGC Balance Sheet Highlight:

- IGC has estimated global wheat production at 774 MMT for 2020-21, 1 MMT higher compared to last month's estimate. According to estimates by IGC the 2019-20 global wheat production was around 764 MMT and 733 MMT for 2018-19.
- The trade estimates for 2020-21 have increased to 190 MMT. It is 35 MMT higher compared to the estimate for last year and higher by 21 MMT compared to 2018-19.
- Consumption has been increased to 760 MMT for 2020-21. The forecast is higher by 8 MMT compared to 2019-20.
- Carryout for 2020-21 is forecast at 292 MMT compared to an estimate of 295 MMT last year. It is lower by around 3 MMT compared to 2019-20.

USDA Balance Sheet

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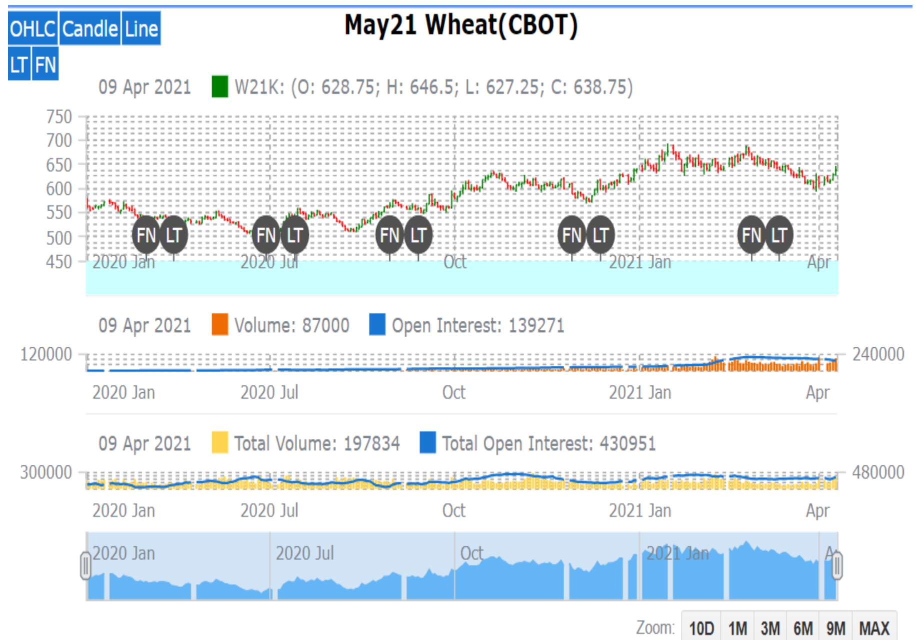
USDA Global Wheat Balance Sheet: 2020-21 Fig. In Thousand Tonne (As on 10.04.2021)							
Country	Opening Stock 2020-21	Production projected 2020-21	Domestic Consumption 2020-21	Import 2020-21	Export 2020-21	Ending Stock 2020-21	Production 2020-21
Argentina	1722	17,200	6,250	5	10,500	1,607	1,7630
Australia	2898	26,000	8,500	500	19,500	5,598	33,000
Canada	5499	30,000	9,900	550	27,000	4,332	35,183
China	1,51,682	1,34,250	1,50,000	10,500	1000	1,45,432	1,34,250
EU	14131	1,35,800	1,17,500	6000	27,500	10,731	1,35,600
India	24700	1,07,592	103,085	25	2,700	27,300	1,07,860
Pakistan	1292	25,200	25,800	3,600	300	3,792	25,200
Russia	7228	85,300	41,500	500	39,500	12,082	85,354
Ukraine	1148	25,500	8,100	75	17,500	1,123	25,500
U S	27985	49,691	30,686	3,100	27,000	23,177	49,691
Others	NA	NA	2,70,828	1,66,601	22881	2887	1,26,903
World total	**3,00,102**	**7,73,943**	**7,63,954**	**1,92,448**	**1,96,305**	**2,95,523**	**7,76,492**

Source: USDA

CBOT Futures May-21 Chart:

1st Support: 635.75
2nd Support: 634.25
1st Resistance: 631.25
2nd Resistance: 628.25
($ per tonne)

The May'21 contract closed lower by the end of the week and remained steady to weak during the week. Candlestick's pattern denotes a steady trend in the chart. decrease in price and decrease in open interest compared to last week, interprets long liquidation in market. We expect wheat prices to remain steady to firm in the coming week.

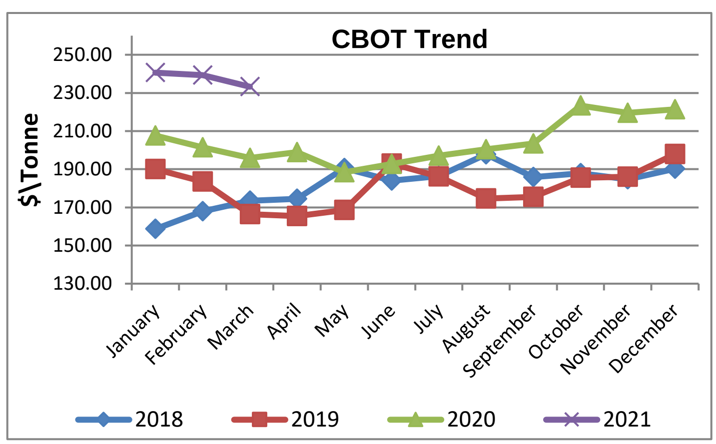


CBOT comparison over a period of time:

CBOT Futures Prices:(USD/T)							
CONTRACT MONTH	Today	Week Ago	Month Ago	3 Month Ago	6 Month Ago	Year Ago	% Change over prev. year
	02-Apr-21	26-Mar-21	01-Mar-21	01-Jan-21	29-Sep-20	31-Mar-20	
May-21	224.48	225.31	238.90	234.95	206.30	206.30	8.82
Jul-21	224.30	223.84	236.05	230.82	206.11	206.11	8.82
Sep-21	225.03	224.11	235.23	231.55	208.32	208.32	8.02
Dec-21	227.33	226.59	236.97	233.94	211.90	205.38	10.69
Mar-22	229.35	228.61	238.81	236.05	214.65	209.42	9.52
May-22	229.63	229.53	237.80	233.39	212.45	212.27	8.18

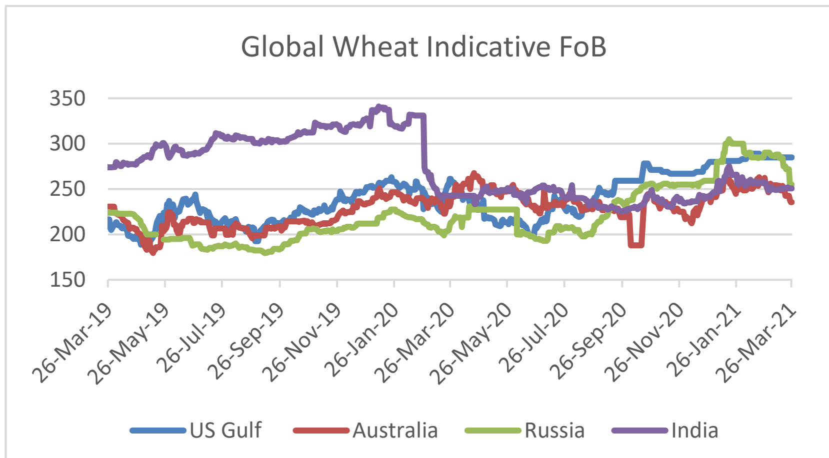
CBOT Trend: -

CBOT remains weak after being firm from Jan-21 under normal conditions as shown in the chart. Wheat weak on positioning ahead of USDA monthly reports and on continued boosted demand of global consumption in china more than offsets a reduction in the European Union. Global production is marginally lower as downward revisions for the European Union, Ethiopia, and
Japan more than offset a larger crop in Argentina. CBOT average monthly price for March'21 is higher by $19.06/tonne compared to last year for the same month and lower by $2.51/tonne compared to March'21.



Comparative Month on Month FOB quotes: (Fig in USD/MT)							
All prices are for SRW/milling grade	1st Oct-20	1st Nov-20	1st Dec-20	1st Jan-21	1st Feb-21	1st Mar-21	
USA	246.4	NA	279	279	289	285	
France	191.86	204.19	220.25	220.25	289	240.25	
Australia	226.22	224.6	244.09	244.09	275	246.48	
Russia	227.45	248.41	280	280	227	290.00	
India	228.39	235.35	248.25	248.25	258.72	248.09	

Global Indicative FoB Quotes:



Indian FoB quote is based on local prices. Indian FoB quote is being quoted at $257.65 per tonne. US and Russian quotes are hovering in the range of $289 and $285 per tonne.

There is a lot of demand for wheat in the international market, and prices are up, due to which the Indian wheat demand will also increase.

The demand for Indian wheat will increase due to Russia's imposition of export duty. Exports will increase on an average compared to last year. Export to the surrounding countries will be good, but it does not seem to be exported in all the countries as Australia Fob prices are low compare to Indian wheat Fob.