Wheat Monthly Research Report

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Market Dynamics: (Back to Table of Contents)

Price Trend: All India average monthly prices for wheat increased by 2.73 percent from Rs 1927.79 in Mar -2021 to Rs 1980.42 per qtl in Apr -2021. Average price in Apr -2021 was lower by 2.30 percent compared to Rs 2021.52 per quintal registered in Apr-2020. Prices are expected to remain steady to weak from here. Strong export demand will give support to the market, and allocation of PMGKAY for May and June will lead prices to fall slightly from here.

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 $242.46-248.91 per tonne in the month of April. Against it, Ukraine, France, U.S and Australia were offering wheat at $255-$290, $219.75-$244, $252.74-258.98 and $263-268.05 per tonne respectively. Indian FoB quote is based on local prices.

Export: India exported 3.98 lakh tonnes of Wheat at an average FOB of $265 per tonnes in March. Total export in MY 2020-21 was registered around 1.93 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 281990 tonnes of Wheat in OMSS through E-Auctions in the month of March '21, which is 188925 tonnes lower compared to last month. Till now, no rakes have been sold. The sale of Wheat to the bulk consumer is 1260 tonnes, and Wheat's sale to the state Govt. 280730 tonnes. Since April 20, the total quantity of Wheat is sold through OMSS is 2532506 tonnes till now. Total Allocation for two months PRADHAN MANTRI GARIB KALYAN ANNA YOJANA - MAY & JUNE 37.54 lakh MT.

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**	**25.21**
B	Production	103.21	104
C	Imports	0.00	0.00
D	**Total Availability (A+B+C)**	124.13	**129.21**
E	Consumption	96.99	97.30
F	Exports	1.93	1.00
G	Total Usage (E+F)	98.92	98.80
H	**Carry out (D-G)**	**25.51**	**30.41**
I	Av Monthly Consumption	8.08	8.11
J	Stock to Month Use	3.12	3.75
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 129.21 MMT from 124.13 MMT in MY 2021-22.

Carry out is expected to be around 30.41 MMT for 2021-22 compared to 25.51 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 April stood at 273.04 lakh tonnes lower by 7.57% compared to last month. This quantity is higher by around 10.54% 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 latest update, wheat markets remain closed following a lockdown in the country amid the spread of Covid -19. An acute shortage of labour and transportation following country-wide lockdown to halt the spread of the coronavirus outbreak will result in a delay in wheat crop harvesting. Most of the farmers will face a shortage of manpower in the coming days as the migration of laborers from other states has come to a halt. Late harvests mean lower yields, reduced returns, and a smaller window to plant next season's crops, as well as leaving crops vulnerable to rain and hailstorms

According to Government, total wheat procurement has reached 323.67 lakh tonne until May 6 of the 2021-22 rabi marketing season (April-March), up from 216 lakh tonne year-ago period. About 32.21 lakh farmers have already benefited from the ongoing rabi marketing season, procurement operations with MSP value of Rs 63,924.56 crore,' the ministry added. Procurement of wheat -- the main rabi (winter) crop -- is continuing smoothly in Punjab, Haryana, Uttar Pradesh, Madhya Pradesh, Rajasthan, Uttarakhand, Chandigarh, Himachal Pradesh, Delhi, Gujarat, Jammu & Kashmir, and Bihar

*Punjab, the highest contributor of wheat to the Central pool over the years (barring 2020**),** has already purchased 95% of its total expected procurement of 13 million tonnes (130 lakh metric tonnes) of the crop in just 26 days this year till May 5, data released by the state government showed. This, the data further shows, is 7% more than the procurement made last year in the same number of days. The Centre on Monday said wheat procurement rose over 70 per cent to 292.52 lakh tonnes so far in the ongoing 2021-22 rabi marketing season, benefitting about 28.80 lakh farmers.*

*The Haryana government has decided to stop the procurement **of** wheat in all mandis/procurement centres in view of the lockdown in the state from May 3-9 to check exponential surge in Covid-19 cases. "During lockdown, no procurement of wheat will be initiated in any mandis/procurement centres of the state and no gate pass shall be issued (to the farmers) for the same, an official statement said here on Sunday.*

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.

The Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) which was announced in 2020 for three months till July, is being re-implemented given the worsening situation due to the second wave of Covid-19. Govt. will provide 5-kg additional food grains for free to PDS beneficiaries under the PMGKAY for two months -- May and June. This time, they are not providing pulses under this scheme. The government has procured 258.74 lakh tonnes of wheat till 28 April 2021 so far.

Final Sowing Status 2021-22: **(Back to Table of Contents)**

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**

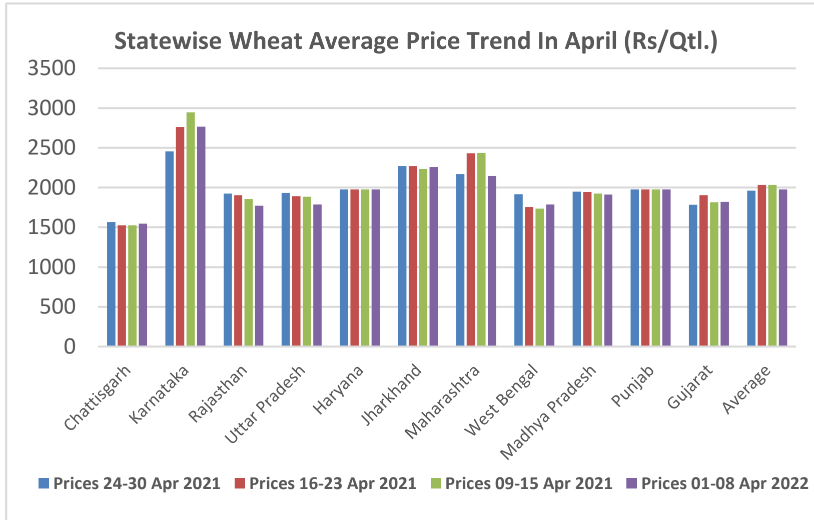
Source: Ministry of Agriculture

Ongoing Wheat Procurement RMS 2021-22 (Source: FCI)

State/UTs	**Procurement as of 30th April-2021 (Figures in LMT)**		
	FCI (A)	**State Agency (B)**	**Total (A+B)**
Punjab	9.75	99.01	108.76
Haryana	6.28	73.47	79.75
Uttar Pradesh	0.33	11.18	11.51
Madhya Pradesh	0.00	70.67	70.67
Bihar	0.00	0.03	0.03
Rajasthan	5.78	2.45	8.23
Others	0.21	1.23	1.44
All-India	**22.35**	**258.04**	**280.39**

Monthly Average Price Comparison:

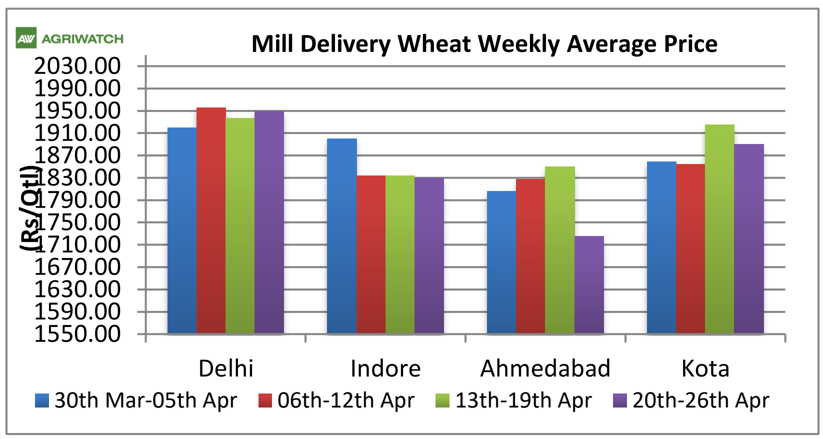
India's average monthly prices for wheat increased by 2.73 percent from Rs. 1927.29 in March - 2021 to Rs. 1980.42 per quintal in April -2021. The slowdown in the wheat market is started now, and the price is expected to weaken gradually. The crop harvest is completed, and the government procurement of Wheat is at the peak. The central government has started giving free Wheat for May and June. There's also widespread export demand for Indian Wheat recently, which supports domestic prices in May too. Agriwatch expects that Wheat would trade steady to slightly weak due to free allocation.



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

Wheat's average mill delivery prices remained closed in all markets in the week ending during 27th Apr – 03rd May 2021. Most of the markets are closed due to the lockdown and spread of Covid -19.

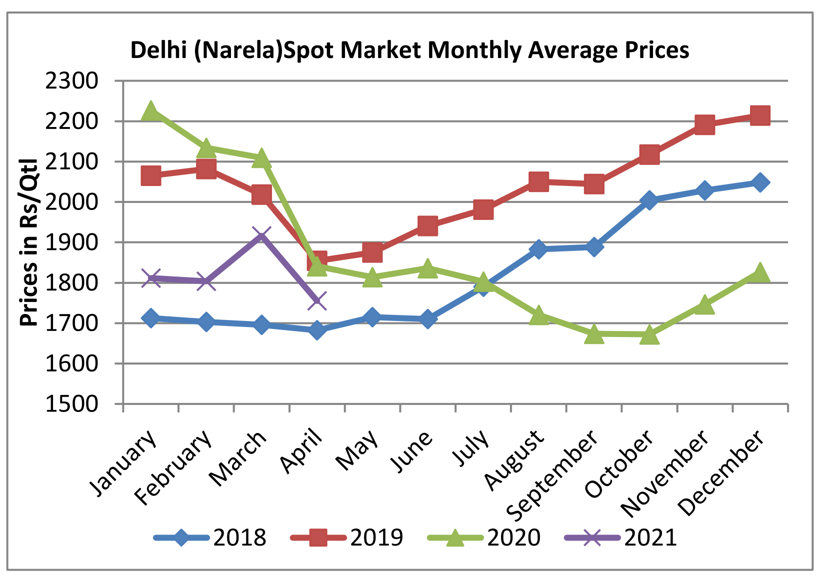
Markets had shown mixed movement in prices last week due to imposing the PMGKAY scheme once again—high Procurement from last year and strong demand from the export front. Wheat is likely to trade steady to slightly firm in upcoming weeks.



Wheat Delhi Average Monthly Price:

The wheat spot market Delhi (Narela) average price decreased from Rs 1916.20 per quintal in March-2021 to Rs 1755 per quintal in Apr-2021. Prices are likely to trade in range of Rs 1700-1800 per quintal in the Narela market in the upcoming weeks.

The prices decreased by 8.41 percent compared to last month and decreased by 4.66 percent compared to the corresponding month last year. Arrivals in Narela have increased by 464.84 percent quintal from 5800 quintals in Mar to 32720 quintals in the month of Apr-2021.



Wheat Exports:

According to the latest update, India exported around 3.98 lakhs tonne wheat in the month of March-2021. It is around 0.4 lakh tonnes higher compared to the export quantity (3.5 lakh tonnes) in Feb-2021.

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 $247. 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
Apr-20-Mar-21	1931.00	219.50	214.64
21-Apr			
21-May			
21-Jun			
Total 2021-22(000T)	**0**	**0**	**0**

Wheat Import:

India has imported 6.38 thousand tonnes of wheat in October-2020, 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.

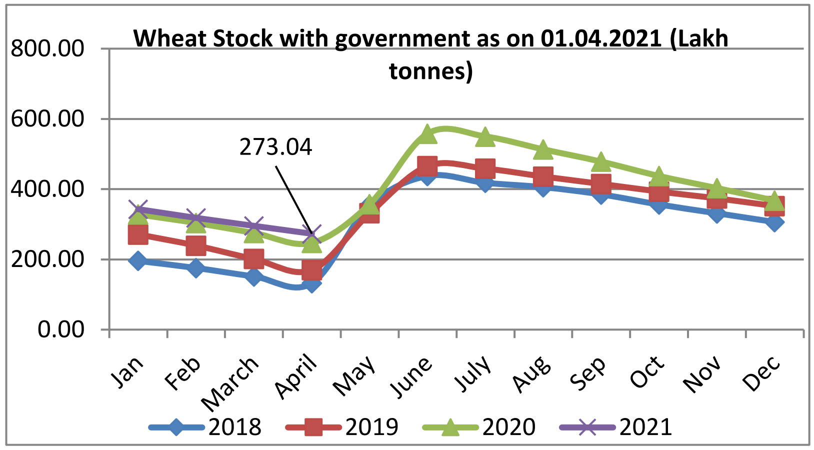
FoB quote in the Black Sea region is hovering around $245.00 per tonne in Russia 249.50 per tonne and $254.93 per tonne in Ukraine. The United States and France are also providing wheat at $261 per tonne and 260.93 per tonne. The government has increased import duty from 30% to 40% to curb imports and 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
Apr-20-Mar-21	NA	NA	207.05
Apr-21			
May-21			
June-21			
Total 2020-21 (000T)	0	0	0

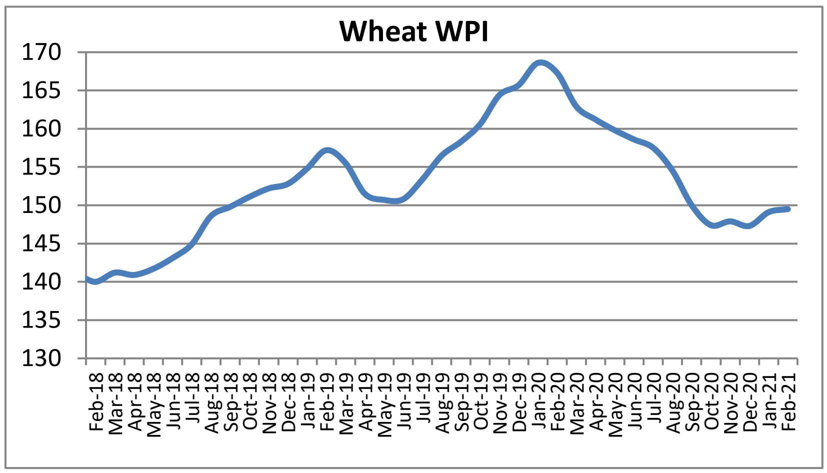
Wheat Stock with the Government:

On 01.04.2021 was around 273.04 lakh tonnes. It is lower by 7.57 % from Mar-2021. Stock in the central pool as of 01st Apr 2021 is higher by 10.54 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 150.2 in Mar-2021. Monthly wheat inflation has increased by 0.47 percent in Mar-2021 compared to the previous month. As compared to Mar-2020 wheat WPI has increased by around 8.46 percent. Wheat WPI is expected to stay steady to slightly firm in the coming month. Food grains WPI increased by 0.44 in Mar-21 to 158.1 Compared to Mar-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	150.2
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:

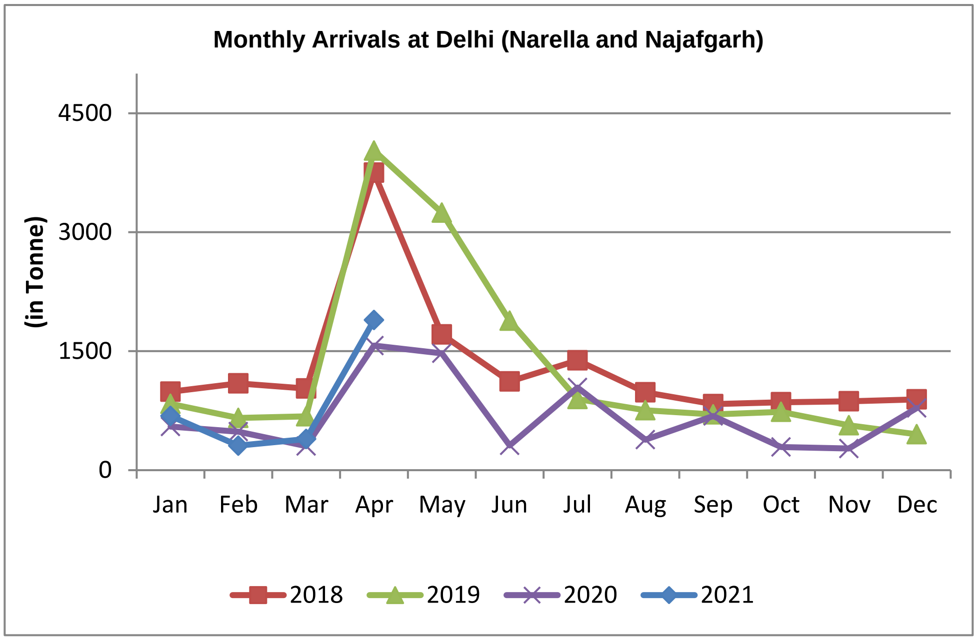
Monthly Average Spot Prices at Various Market (Rs/Quintal)					
Month	**Delhi**	**Indore**	**Kota**	**Rajkot**	**Chennai**
Apr-20	1964.16	1972.5	1729.33	1772.27	2350
May-20	1966.92	1972.5	1837.89	1813.07	2350
Jun-20	1973.26	1885.76	1745.38	1799.4	2350
Jul-20	1976	1883.2	1877.7	1821.04	2179
Aug-20	1856.73	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
Apr-21	1937.66	1833	1869.52	1713	2100

Monthly Price Comparison of Spot Markets

Spot Market Price:							
Centre	Market	Variety	Prices (Rs/Qtl)				
			Today	Yesterday	Week Ago	Month Ago	Year Ago
			07-May-21	05-May-21	30-Apr-21	06-Apr-21	08-May-20
Delhi	Lawrence Road	Mill Delivery	Closed	Closed	Closed	1925	1960
	Narella	Mill Quality Loose	Closed	Closed	Closed	1760	1815
	Nazafgarh	Mill Quality Loose	Closed	Closed	Closed	1760	0
Gujarat	Rajkot	Mill Delivery	Closed	Closed	Closed	1700	1810
	Ahmedabad	Mill Delivery	Closed	Closed	Closed	1800	1910
	Surat	Mill Delivery	Closed	Closed	Closed	1850	2000
	Dhrol	Mill Delivery	NA	NA	0	0	1700
M.P.	Indore	Mill Delivery	Closed	Closed	Closed	1840	Closed
	Bhopal	Mill Quality Loose	Closed	Closed	Closed	1750	1925
Rajasthan	Kota	Mill Quality Loose	Closed	Closed	Closed	1700	Closed
		Mill Delivery	Closed	Closed	Closed	1850	Closed
U.P.	Kanpur	Mill Delivery	Closed	Closed	Closed	1715	2000
	Mathura	Mill Quality Loose	Closed	Closed	Closed	1705	1800
	Kosi	Mill Quality Loose	Closed	Closed	Closed	1750	1820
	Hathras	Mill Quality Loose	Closed	Closed	Closed	1750	1810
	Aligarh	Mill Quality Loose	Closed	Closed	Closed	1720	1800
Punjab	Khanna	Mill Quality Loose	Closed	Closed	1975	Closed	1925
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	0	0	0
Haryana	Sirsa	Mill Delivery loose	Closed	Closed	1975	1850	1925
	Hodal	Mill Delivery	Closed	Closed	0	0	0
	Bhiwani	Mill Quality Loose	Closed	Closed	1880	1850	1890
	Karnal	Mill Delivery	Closed	Closed	0	0	0
	Panipat	Mill Quality Loose	Closed	Closed	1975	0	0
Tamil Nadu	Chennai	Mill Quality	Closed	Closed	Closed	2100	Closed
	Madurai	Mill Quality	Closed	Closed	Closed	2250	Closed
	Coimbatore	Mill Quality	Closed	Closed	Closed	2300	Closed
Bihar	Khagariya	Mill Delivery	1700	1700	1750	1700	1900
	Muzaffarpur	Mill Delivery	1625	1625	1700	1700	1900

Monthly Arrivals at Delhi:

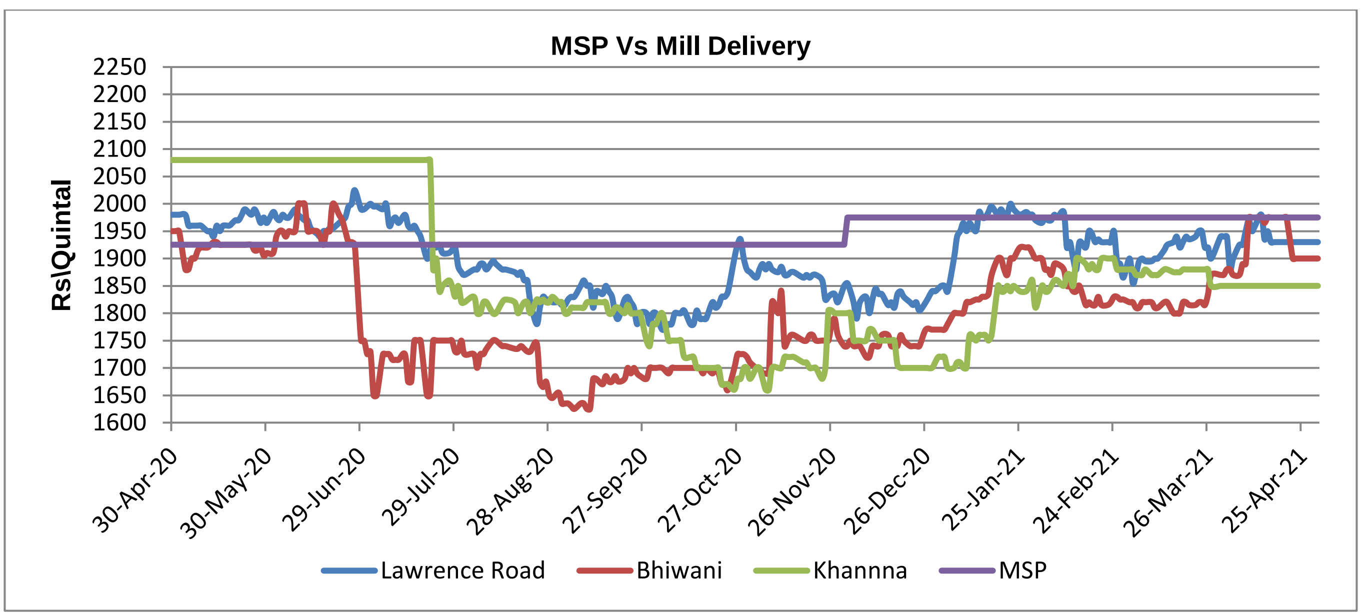
Arrivals in the Delhi region (Narela and Najafgarh) increased to 393 tonnes in Mar-2021 compared to 309.5 tonnes in Feb-2021. Due to arrival of new crop in the mandis.



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 due to free allocation by Govt and lockdown. Prices is likely to move steady to slightly weak 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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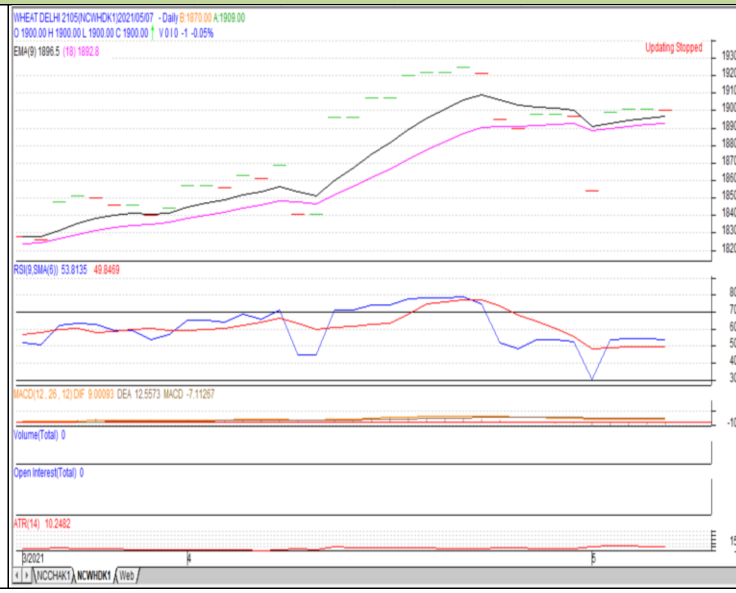
Wheat – Technical Outlook

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 steady movement in the market.



Strategy: Stay Away

Intraday Supports & Resistances			S1	S2	PCP	R1	R2
Wheat	NCDEX	May	-	-	-	-	-
Pre-Market Intraday Trade Call*			**Call**	**Entry**	**T1**	**T2**	**SL**
Wheat	NCDEX	May	WAIT	1900	-	-	-

* 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 Russian agriculture consultancy IKAR reduced its forecast for Russia's 2021 wheat crop from 81.0 MMT to 79.5 MMT. More than 700,000 hectares (1.7 million acres), around 17 percent of the planted area-primarily in central Russia, has to be replanted following dry conditions during fall planting.

Canada's According to FAS officials based in Ottawa, Canada's total wheat production will fall 5% in 2021/22 and yields will be close to the 5-year average. Spring wheat production is expected to fall while durum production is expected to increase. Regions of Alberta, Manitoba, and Saskatchewan need significant amounts of precipitation.

China In a statement attributed to two anonymous sources, Reuters reported China may use up to 40.0 MMT of wheat for feed in the 2020/21 crop year displacing corn and soymeal in animal feed. Corn carries a premium to wheat, leading many Chinese feed producers to look for cheaper grain as the country attempts to build back the pig herd culled by African swine fever. Wheat, a high protein grain, is also displacing some soymeal, the main protein source in animal feed.

Ukraine's Ukraine's wheat harvest is expected to grow by 9.5% to 27.7 MMT this year and wheat exports are boosted to 21.0 MMT for the 2021/22 July-June season said the Ukrainian grain trader's union UGA.

Australian The USDA's Foreign Agriculture Service (FAS) forecasted Australia's wheat production in 2021/22 to be 27.0 MMT. The FAS officials in Australia also expect wheat exports at 19.0 MMT, down from 23.0 MMT forecast in 2020/21.

France France's farm office FranceAgriMer said this week that it is too soon to estimate the impact of a severe freeze event on grain crops. Temperatures were below zero (32 degrees Fahrenheit) for several nights. Areas in central and southern France were primarily affected.

Argentina The Buenos Aires Grains Exchange (BAGE) expects Argentine farmers to plant 6.5 million hectares (16.0 million acres) of wheat in 2021/22 unchanged from the previous season. Sowing begins in May and harvest ends in January.

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.

Global Wheat Average FoB

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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	289	282	273	241	287	280	275
21-Mar	282	285	267	240	288	292	283
21-Apr	256	260	261	238	249	255	266
Source: Reuters							

Spot Prices Black Sea Region					
Date		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)	2018-19	2019-20 est.	2020-21 F'cast.	2021-22 proj.	
				25.03.21	25.03.2021
Production	732	762	774	790	790
Trade	168	184	189	184	185
Consumptions	740	743	763	778	782
Carryover stocks	260	278	289	304	298
Y-O-Y change	-8	19	11	-	9
Major Export	69	64	65	64	64

IGC Balance Sheet Highlight:

- IGC has estimated global wheat production at 790 MMT for 2021-22, same as compared to last month's estimate. According to estimates by IGC the 2019-20 global wheat production was around 762 MMT and 732 MMT for 2018-19.
- The trade estimates for 2021-22 have increased to 185 MMT. It is 4 MMT lower compared to the estimate for last year and higher by 17 MMT compared to 2018-19.
- Consumption has been increased to 782 MMT for 2021-22. The forecast is higher by 19 MMT compared to 2020-21.
- Carryout for 2021-22 is forecast at 298 MMT compared to an estimate of 289 MMT last year. It is higher by around 20 MMT compared to 2019-20.

USDA Balance Sheet

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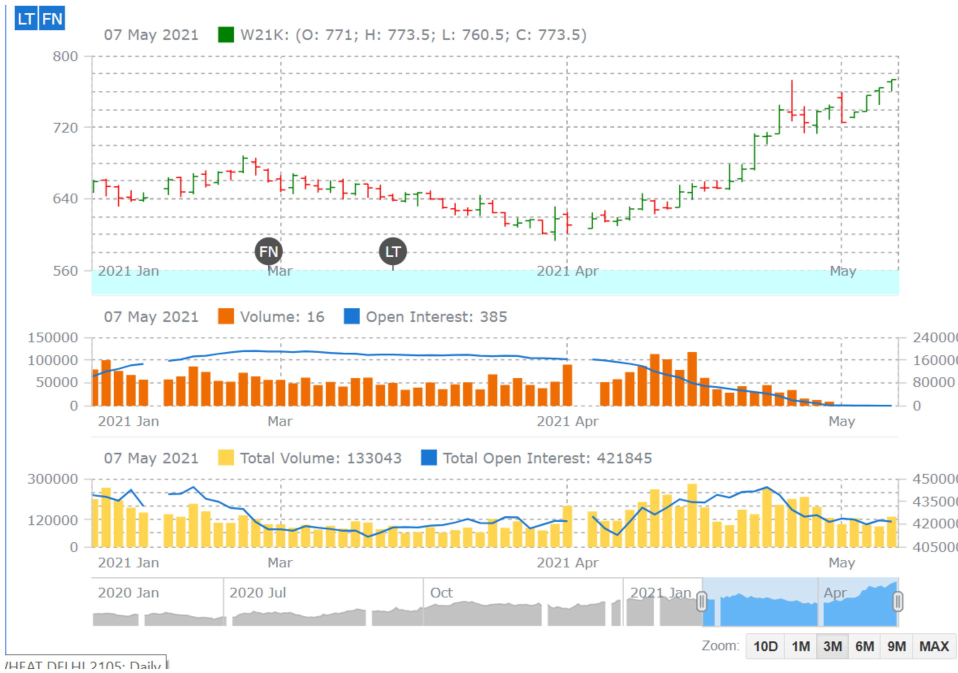
USDA Global Wheat Balance Sheet: 2020-21 Fig. In Thousand Tonne (As on 08.05.2021)							
Country	Opening Stock 2020-21	Production projected 2020-21	Domestic Consumption 2020-21	Import 2020-21	Export 2020-21	Ending Stock 2020-21	Production 2020-21
Argentina	1722	17,200	6,250	5	10,500	1,607	1,7630
Australia	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: 764.83
2nd Support: 756.17
1st Resistance: 777.83
2nd Resistance: 782.17
($ per tonne)

The May'21 contract closed higher by the end of the month of March and remained steady to firm during the month. Candlestick's pattern denotes a bullish trend in the chart. Increase in price and decrease in open interest compared to last month, interprets short covering in market. We expect wheat prices to remain steady to firm in the coming week.

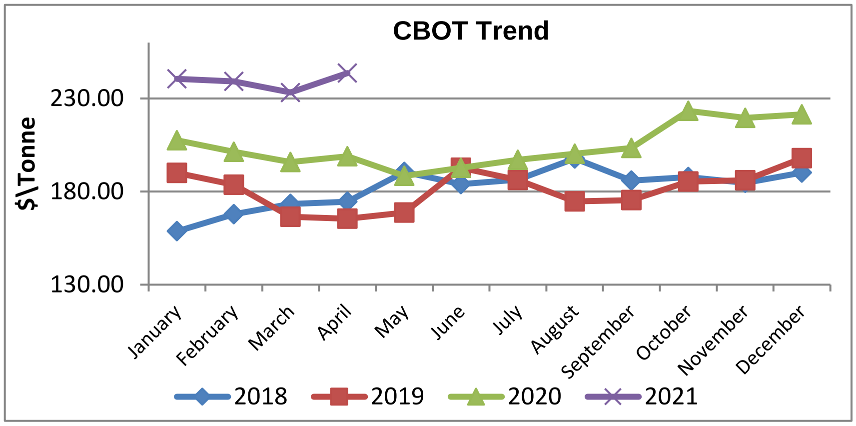


CBOT comparison over a period of time:

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-May-21	25-Apr-21	31-Mar-21	31-Jan-21	29-Oct-20	30-Apr-20	
May-21	272.79	271.69	227.05	243.40	220.90	193.99	40.63
Jul-21	269.95	271.69	226.23	236.24	217.87	197.02	37.02
Sep-21	269.03	271.42	226.78	235.69	218.69	199.50	34.85
Dec-21	269.21	272.24	229.26	236.88	221.17	205.38	31.08
Mar-22	270.41	273.07	231.28	238.44	222.55	209.42	29.12
May-22	267.38	268.57	231.74	234.95	212.45	212.27	25.96

AGRIWATCH

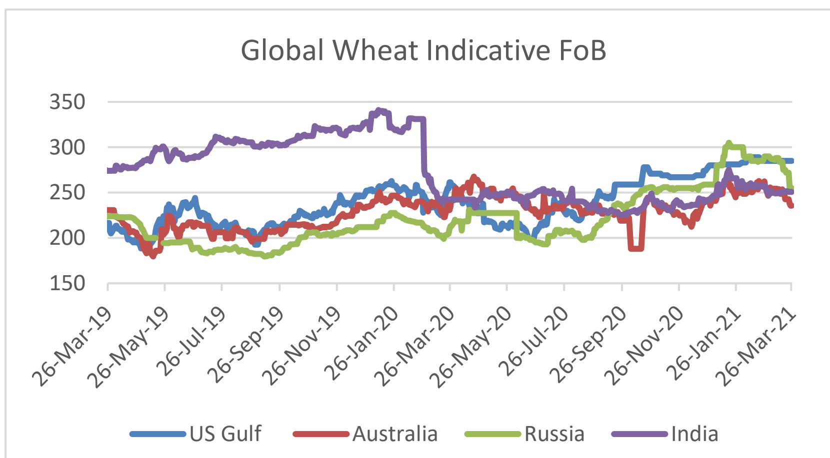
CBOT Trend: -



CBOT remains firm after being weak from Mar-21 under normal conditions as shown in the chart. Wheat firm 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 May'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	1st Apr-2021
USA	246.4	NA	279	279	289	285	256
France	191.86	204.19	220.25	220.25	289	240.25	255
Australia	226.22	224.6	244.09	244.09	275	246.48	266
Russia	227.45	248.41	280	280	227	290.00	249
India	228.39	235.35	248.25	248.25	258.72	248.09	246.61

Global Indicative FoB Quotes:



Indian FoB quote is based on local prices. Indian FoB quote is being quoted at $246.61 per tonne. US and Russian quotes are hovering in the range of $256 and $249 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.

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.