Wheat Monthly Research Report

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Market Dynamics:

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Price Trend: *All India average monthly prices for wheat increased by 2.22 percent from Rs 1950.53 in August-2021 to Rs 1993.90 per qtl in September-2021. Average price is also higher by 6.83 percent compared to Rs 1866.34 per quintal registered in September-2020. Prices are expected to stay steady to slightly firm with no major movement in the coming month due to upcoming festive season, however allocation of PMGKAY which has been extended till November 2021 and ended procurement period will curb any major rise.*

AW Production Estimate for Rabi 2021: *Agriwatch has preliminary estimated the production for 2021 is 102.68 MMT compared to 103.21 MMT last year. Production is lower this year due to lower yields. Total availability is likely to increase from 130.13 MMT in 2020-21 to 133.89 MMT this year.*

FoB/CiF Quotes: *Indian FoB quote is hovering at between $245.08 to 249.28 per tonne in the month of Sept'21. Against it, U.S. is quoting at $ 269.82 in the month of Sept'21. Indian FoB quote is based on local prices.*

Export: *India exported 4.51 lakh tonnes of Wheat at an average FOB of $245.00 per tonnes in Aug'21. The exports have decreased compared to previous month because of the shifting of export market from India to Argentina and Australia. Export is expected to increase this year due to higher demand of Indian wheat in international market.*

Import: *Due to adequate domestic production, low prices, and the increase in import duty Imports are expecting to be low this year. India has imported 6380 tonnes of Australian wheat during the month of October"20 as per trade sources. The government has increased import duty from 30 percent to 40 percent to reduce imports and provide support to domestic sellers.*

Supply-Demand: *The stocks of wheat crops are depleting and demand from both neighbouring countries and international market is increasing. The export trade in wheat is very high. Export demand is increasing in the international market due to drought in Canada and USA which has impacted durum wheat production along with high export duty and floating taxes in Russia. The export is expected to remain steady due to increase in shipping cost.*

Weather Update: *Isolated heavy to very heavy falls very likely over Tamil Nadu, Kerala and Coastal & South Interior Karnataka during 04th-06th October, 2021. Isolated extremely heavy falls also very likely over Kerala on 05th October, 2021. Isolated heavy rainfall very likely over south Konkan & Goa and south Madhya Maharashtra during 04th-08th October, 2021.*

Procurement: *Wheat procurement for the Rabi marketing season 2021-22 is completed in India. Wheat was procured in excess of 433.32 LMT, a record high compared to 389.93 LMT in previous seasons. With MSPs of Rs.85,603.57 crore, the current RMS procurement operations have already benefited over 49.20 lakh farmers higher against 43.35 lakh farmers in 2020-21. This season's procurement volume is also bigger than the previous four years record. According to FCI, there were approx. 19,036 wheat procurement centres during the rabi marketing season of 2021-22.*

Outlook & Recommendation: *Wheat market is expected to trade steady with no major movement in the coming month*

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**	**26.92**	**31.21**
B	Production	103.21	102.68
C	Imports	0.00	0.00
D	**Total Availability (A+B+C)**	130.13	**133.81**
E	Consumption	96.99	97.30
F	Exports	1.93	3.14
G	Total Usage (E+F)	98.92	100.44
H	**Carry out (D-G)**	**31.21**	**33.45**
I	Av Monthly Consumption	8.08	8.11
J	Stock to Month Use	3.86	4.12
K	Stock to Consumption Ratio	0.32	0.34

*Agriwatch Wheat Production Estimate for Marketing Year 2021-22

Supply-Demand Highlights:

As per Agriwatch estimates, production will be around 102.68 MMT compared to 103.21 MMT last year. Production will be lower this year due to lower yields and area. Total availability increased to 133.81 MMT from 130.13 MMT in MY 2021-22.

Carry out is expected to be around 33.45 MMT for 2021-22 compared to 31.21 MMT for 2020-21. The domestic availability of wheat is good. Prices are likely to trade steady to slightly firm. Good domestic availability will ensure that there is no unexpected surge in prices.

Stock in the central pool as of September stood at 517.87 lakh tonnes lower by 8.31% compared to last month. This quantity is higher by around 8.27% compared to last year for the same month. 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:

Lower availability and firmness in global market have supported wheat prices in this month. However, the government has decided to extend PMGKAY (Pradhan Mantri Garib Kalyan Anna Yojana) till November 2021 where the central government is distributing 5Kg of Wheat and Rice per person per month at free of cost to around 80 crore beneficiaries under the NFSA. The reallocation of PMGKAY may affect wheat demand in the domestic market. Considering all factors, the wheat price is expected to trade steady to slight firm in the short run.

A total quantity of 433.50 lakh tonnes wheat has been estimated for procurement during the forthcoming RMS 2021-22 which is 11.17 per cent more than the 389.93 lakh tonnes procured during RMS 2020-21 according to the Union Secretary, Department of Food & Public Distribution. Wheat procurement for Rabi 2021-22 is finished in India now.

The government has hiked the minimum support price for wheat by Rs 40 from Rs 1975 to Rs 2015 per quintal. According to officials, CCEA has approved increase in MSP's of six rabi crops for 2021-22 crop year (July-June) and 2022-2023 marketing year. The cost of production of wheat is estimated at Rs 1008 per quintal. The expected returns to farmers over their cost of production are estimated to be highest for wheat and mustard.

The UP government has informed that Rs 40 hike in MSP of wheat won't impact the farmers as the growth of grain production in India has risen by over 35% in four years. The UP agricultural minister has said that the *production of wheat in UP has increased from 28 quintals per hectare in 2016-17 to 28 quintals per hectare in 2020-21.*

As on 15th September 2021, 56.53% of foodgrains have been lifted in the country under PMGKAY phase IV. A total 112.39 LMT of foodgrains is lifted against 198.78 LMT allocated, as per Ministry of consumer affairs, food & public distribution. In wheat, 49.53 LMT is lifted against allocated 97.09 LMT making lifting percentage as 51.01%. Andaman & Nicobar tops the country for lifting highest percentage of foodgrains with 93%. The PMGKAY is extended till November 2021.

Authorities of FCI has approached district administration in Faridkot and Moga to take prompt action to liquidate wheat stock as the filled granaries are going to pose storage challenge in the coming rabi season. FCI has 1.73 lakh metric tonnes of wheat stock at two silos in Faridkot and Moga owned by private player. Since the Farmer's protest, the movement of food stock has been blocked. The private player has BOO (build, own, operate) agreement with FCI for providing storage space.

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	0.35	0.23	0.09	0.1	**11.11**
All-India	**303.27**	**300.35**	**336.42**	**346.35**	**2.95**

Source:MinistryofAgriculture

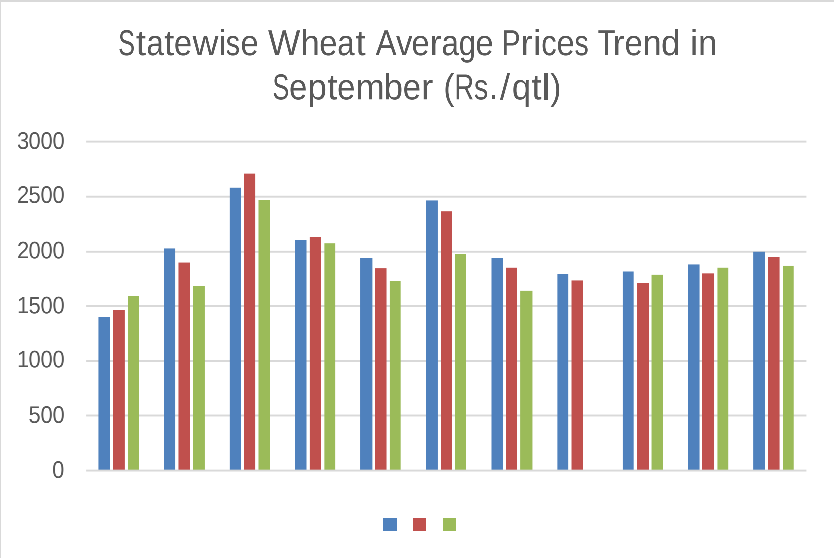
Final Wheat Procurement RMS2021-22 (Source: FCI)

State/UTs	Procurement as of15th Jul-2021 (Figures in LMT)		
	FCI (A)	State Agency (B)	Total (A+B)
Punjab	12.2	119.9	132.1
Haryana	6.94	77.99	84.93
Uttar Pradesh	1.39	55.02	56.41
Madhya Pradesh	-	128.09	128.09
Bihar	-	4.56	4.56
Rajasthan	16.56	6.84	23.4
Others	0.6	3.14	3.74
All-India	**37.69**	**395.54**	**433.23**

Monthly Average Price Comparison:

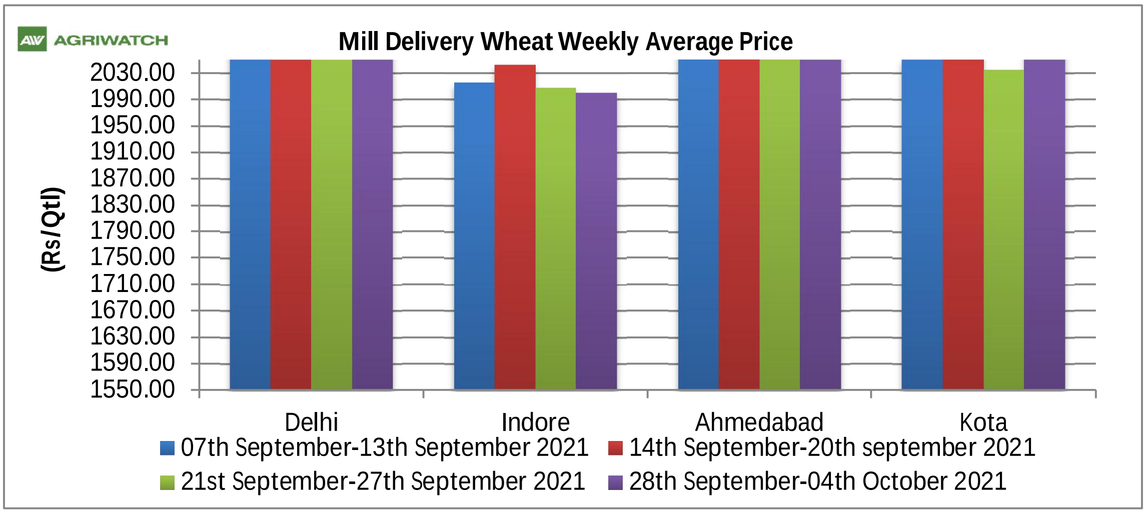
India's average monthly prices for wheat increased by 2.22 percent from Rs.1950.53 in August-2021 to Rs. 1993.9 per quintal in September-2021. Prices in the wheat market have increased due to fact that the stock within the private traders is almost nil. The availability of wheat is currently with big traders who buy the commodity from FCI by paying higher EMD's.

The central government has extended giving free Wheat till November 2021. There's also positive export demand for Indian Wheat recently, which is hampered by high shipping cost. Agriwatch expects that Wheat would trade steady with no major movement in the month on October due to the upcoming festive season leading to fasting m higher proportion of people.

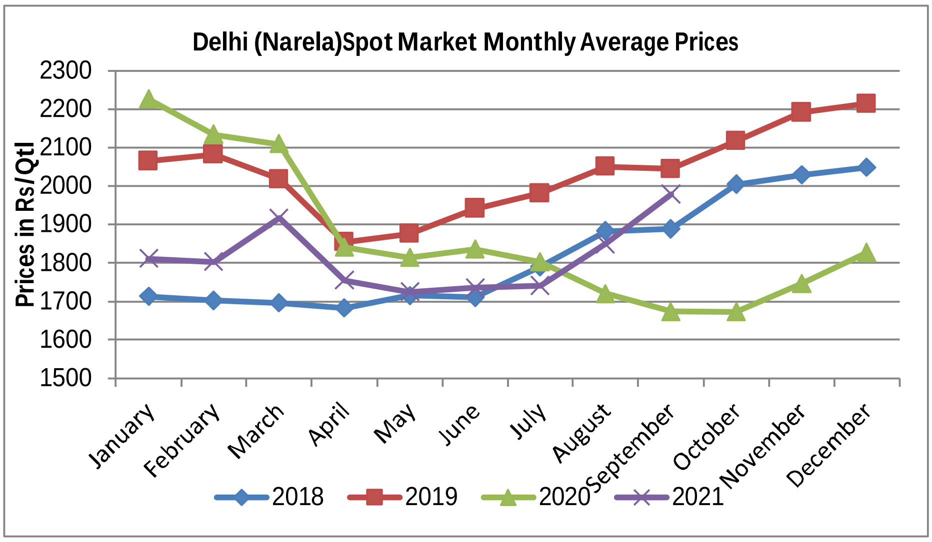


Mill Delivery Wheat Weekly Average Price Movement at key Spot Market:

Wheat's average mill delivery prices at various trading centres due to lower demand in the market. Delhi and Ahmedabad



market were closed at similar trend with previous week. While the prices in Indore were traded lower to the previous week due to lower buying demand from Southern states.
Markets had shown steady movement in prices last week due to no major hike in the demand. Wheat is likely to trade steady without any major movements in upcoming weeks.



Wheat Delhi Average Monthly Price:

The wheat spot market Delhi (Narela) prices rose in August amid weak supplies and firmness in demand. Prices are likely to trade in range of Rs 1980 to 2000 per quintal in the Narela market in the upcoming month amid stock issues.
At Lawrence centre, it closed at 2075 per quintal in September 2021 higher than 2000 per quintal in August 2021.

Wheat Exports:

According to the latest update, India exported around 4.51 lakhs tonne wheat in the month of August-2021. It is lower 0.21 lakh tonnes compared to the export quantity 4.72 lakh tonnes in July-2021.
The overall conditions for Indian wheat export are now not favourable as the container availability is a major issue leading to higher shipping cost.
An export volume would not increase further as the availability of stocks is less in the market. The recent price of wheat export price in India is $245.08. Russia has been applying export tax of $46.50 per ton on wheat exports from September 8-14, making it less competitive.

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	-	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	208.28	402.66	214.64
Apr-21-Aug-21	209.80	363.35	253.16
Total 2021-22(000T)	**0**	**0**	**0**

Source: DGCIS/Private Traders

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.

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	-	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	-	-	207.05
Apr-21			243.63
May-21			260.01
June-21			244.96
July-21			243.96
Total 2020-21 (000T)	0	0	0

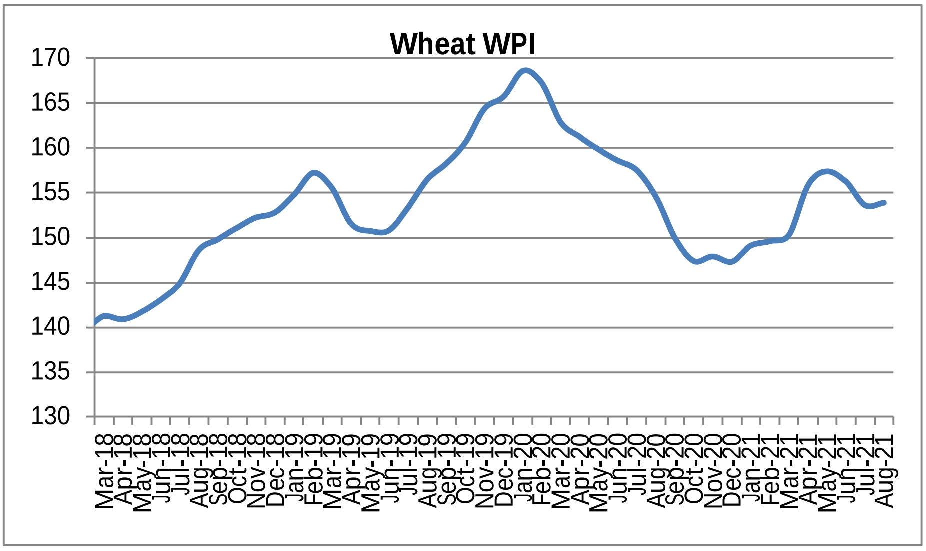
Source: DGCIS/Private Traders

Wheat Stock with the Government:

On 01.09.2021 was around 517.87 lakh tonnes. It is lower by 8.31 % from August-2021. Stock in the central pool as of 01st September 2021 is higher by 8.27 percent compared to last year for the same month. The government has finished its procurement at 43.34MMT for MY 2021-22 which is higher from 38.83 MMT last year.

Wheat Inflation:

Wheat WPI has declined from 156.2 in June-2021 to 153.6 in July-2021. Monthly wheat inflation has declined by 1.66 percent in July-2021 compared to the previous month due to open market sale scheme which prevented high inflation. As compared to July-2020 wheat WPI has also decreased by around 0.76 percent. Wheat WPI is expected to stay steady to weak in the coming month also due to good amount OMSS in non-arrival season of September as well. While, food grains WPI increased by 1.05 % in July-21 to 153.4 compared to June-21.



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	155.9
May	137.5	141.7	150.7	159.8	157.4
Jun	136.1	143.1	150.8	158.6	156.2
Jul	136.3	144.9	153.4	157.5	153.6
Aug	137.1	148.6	156.5	154.5	153.9
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
20-Jun	1973.26	1885.76	1745.38	1799.4	2350
20-Jul	1976	1883.2	1877.7	1821.04	2179
20-Aug	1856.73	1770.23	1752.1	1695.83	2044.73
20-Sep	1821.37	1729.66	1680	1621.88	2000
20-Jun	1973.26	1885.76	1745.38	1799.4	2350
20-Jul	1976	1883.2	1877.7	1821.04	2179
20-Aug	1856.73	1770.23	1752.1	1695.83	2044.73
20-Sep	1821.37	1729.66	1680	1621.88	2000
20-Oct	1824.23	1666.42	1726.4	1664.61	1956
20-Nov	1869.32	1734.21	1751.25	1692.75	1987.5
20-Dec	1826.92	1676.04	1717.82	1694.2	1991.3
21-Jan	1961.04	1836.73	1878.12	1841.04	2010
21-Feb	1935.41	1813.18	1661.3	1811.04	2070.83

21-Mar	1916.2	1853.8	1872.6	1799.73	2108
21-Apr	1937.66	1833	1869.52	1713	2100
21-May	Closed	Closed	Closed	1765	2072
21-June	Closed	1899	1920.76	1727.50	-
21-July	1741	1876.8	1913.1	1821.6	-
21-Aug	1929.8	1939.2	1951.6	1915.4	-
21-Sep	2078.08	2012.60	2044.04	2047.60	-

Monthly Price Comparison of Spot Markets

Spot Market Price:							
Centre	**Market**	**Variety**	**Prices (Rs/Qtl)**				
			Today	**Yesterday**	**Week Ago**	**Month Ago**	**Year Ago**
			30-Sep-21	**29-Sep-21**	**23-Sep-21**	**30-Aug-21**	**30-Sep-20**
Delhi	Lawrence Road	Mill Delivery	2075	2090	2100	-	1800
	Narella	Mill Quality Loose	1965	Closed	1990	-	Closed
	Nazafgarh	Mill Quality Loose	1950	Closed	1980	-	Closed
Gujarat	Rajkot	Mill Delivery	2040	2030	2010	-	1600
	Ahmedabad	Mill Delivery	2130	2130	2125	-	1640
	Surat	Mill Delivery	2170	2170	2170	-	1700
	Dhrol	Mill Delivery	-	1880	1945	-	0
M.P.	Indore	Mill Delivery	2000	2000	2020	-	Closed
	Bhopal	Mill Quality Loose	1860	1850	1800	-	Closed
Rajasthan	Kota	Mill Quality Loose	1930	1925	1900	-	1525
		Mill Delivery	2080	2075	2030	-	1650
U.P.	Kanpur	Mill Delivery	1940	1940	1940	-	1680
	Mathura	Mill Quality Loose	1880	1880	1890	-	1610
	Kosi	Mill Quality Loose	1900	1900	1900	-	1700
	Hathras	Mill Quality Loose	1870	1880	1875	-	1550
	Aligarh	Mill Quality Loose	1860	1880	1900	-	Closed
Punjab	Khanna	Mill Quality Loose	1830	1825	1830	-	1700
	Ludhiana (Jagraon)	Mill Delivery	-	-	-	-	0
Haryana	Sirsa	Mill Delivery loose	1880	1880	1875	-	1715
	Hodal	Mill Delivery	-	-	-	-	0
	Bhiwani	Mill Quality Loose	1940	1940	1940	-	1650
	Karnal	Mill Delivery	-	-	-	-	0
	Panipat	Mill Quality Loose	-	-	-	-	0

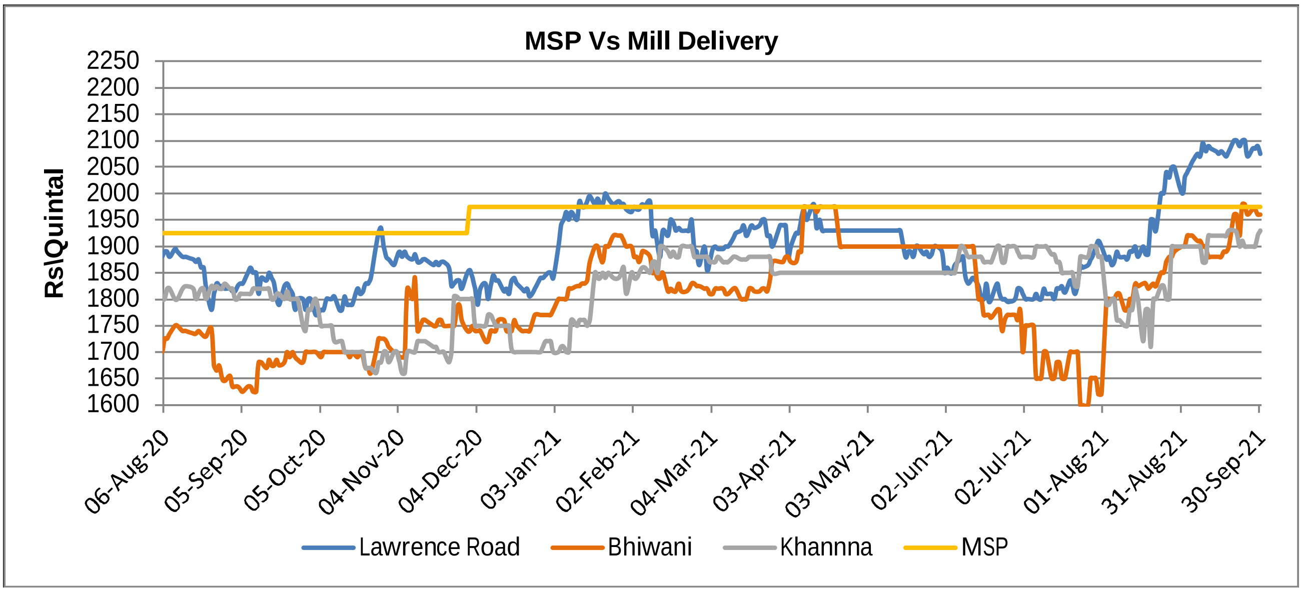
Tamil Nadu	Chennai	Mill Quality	2300	2300	2300	-	2000
	Madurai	Mill Quality	2357	2450	2450	-	2150
	Coimbatore	Mill Quality	2357	2500	2500	-	2200
Bihar	Khagariya	Mill Delivery	1900	1900	1900	-	1875
	Muzaffarpur	Mill Delivery	1900	1900	1900	-	1800

Domestic Outlook:

The wheat cash market is expected to trade steady with no major movements in Oct-21 in expectation of balanced supplies and demand. Exporters may take time to be more active due to current shortage of containers.

MSP vs. Mill Delivery Prices:

In Lawrence market Mill delivery prices has crossed above MSP while in all other markets it is below MSP due to robust demand of wheat and export demand. Prices are likely to move steady 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.



International Market Dynamics

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CBOT December contract settled up 3.75 cents at $7.10 per tonne on 29th September. Wheat futures firmed on expectations that USDA would trim its estimate of US wheat 2021 production on 30th September in small grains report.

Bangladesh plans to buy 5 lakh tonnes of wheat from international market during fiscal year 2021-22 in order to carry out its distribution program. Of this, government will buy 2 lakh tonnes from Russia. Earlier this month, the government decided to buy 50,000 tonnes from Singapore based firm Agrocorp.

Pakistan offered tender to purchase 640,000 tonnes of wheat. The lowest price offered in the tender was believed to be $377 per tonne c&f as per European traders. Pakistan has sought to buy 1.1 million tonnes of wheat in international tender in September to cool the local prices and improve domestic supplies.

As of September 27th, Ukraine has sown 1.95 million hectares of winter wheat for 2022 harvest which is 29% of the expected area of 6.68 million hectares. Last year due to drought, the area planted for winter wheat got reduced to 6.1 million hectares.

In the wheat market, run of tenders by importers, harvest issues in the northern hemisphere and rumors about further increase in the Russian export duty has supported wheat futures. Wheat added 0.3% to $7.26 per bushel in CBOT.

China has started importing wheat from Australia despite a bitter tradeoff between the countries. This came when Australia is expecting bumper production for second consecutive year and downgrade production in Northern hemisphere. China has emerged as leading buyer for wheat taking close to 2 million tonnes out of 5 million sold so far. China has cancelled some cargoes of French wheat over quality issues and are turning to Australia.

As per the Grain Industry Association of Western Australia in its September report reduced its estimate for wheat output in Western Australia for the marketing year 2021-22 (October-September) to 10.6 million mt, 6.2% lower from the 11.3 million mt in August. However, the output is 15.2 % higher than previous year at 9.2 million mt.

According to report, Philippines is tendering to purchase an estimated 224,000 tonnes of animal feed wheat. The wheat was sought in four 56,000 tonne consignments for shipment between Oct 18, 2021 and Jan 16, 2022 depending on origin.

The winter wheat harvest 2021 dealt with many weather condition past year from delays in harvest to early harvest in some areas. However, the 2021 hard red winter wheat crop quality ended up better than expected on average. HRW wheat account for 40% of total wheat production of USA while SRW account for 15 to 20% of total production.

Russia resumes wheat export to Algeria after 5 years. The first shipment of 30,000 tonnes is on the way and second shipment is currently being loaded in Black Sea and expected to sail soon. Russia is also expected to send two vessels containing 60,000 tons of wheat in September. It marked first major supply of wheat from Russia to Algeria since 2016.

Statista Canada has issues lower than expected estimate for Canadian wheat production, while France reduced its soft wheat crop estimate. Strategie Canada has sharply lowered its projection for world output, partly due to reduced estimate for the European Union.

Jordan has issued a tender to buy 120,000 tonnes of milling wheat. The deadline for submission of wheat is Sept 22. The new tender is expected as there was no purchase in its previous tender of 120,000 tonnes of wheat which has closed on 15th September 2021.

According to September World Agricultural supply and demand estimates, the US wheat acreage and yield were left unchanged but ending stocks are lowered by 12 million bushels from last month to 627 million bushels but it is down 12% from 2020 and lowest in last eight years. Exports were unchanged at 875 million bushels. World wheat 2021-22 carryout was raised by more than 4 million metric tons to 283.2 million tons, with increase in Australia and India's production.

The estimate of 2021 soft wheat production in France has been lowered in the European Union's biggest grain grower to 36.06 million tonnes from 36.69 million last month projected due to wet summer weather. The lower forecast would still be 23.6% above last year's production and 8.1% higher than the past five years average.

In Japan the agriculture ministry has sought 118,771 tonnes of food quality wheat from the United States, Canada and Australia in regular tender. The date for arrival of shipment is 31st December 2021 while the loading will occur between October.

Saudi Arabia's main state wheat buying agency (SAGO) has issued and international tender of 360,000 tonnes of milling wheat for purchase. They lowered the test weight requirement to 76 which would help European wheat in France and elsewhere which was damaged by late harvest rain.

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-May	214.58	223.48	-	227.5	-	193.25	248.85
20-Jun	208.78	217.7	-	197.73	198.64	190.5	237.96
20-Jul	228.82	223.55	-	202.22	202.61	178.5	233.83
20-Aug	229.69	235.53	-	203.58	203.63	184.94	232.35
20-Sep	260.2	246.3	245	227	227.45	188.25	226.22
20-Oct	-	-	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	-	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
21-May	294	298.50	280	273.50	272.50	-	288.50
21-June	262.88	284.80	274.20	260.25	261.50	-	284.80
21-July	251.35	291.25	275	241.60	243.80	-	281.50
21-Aug	271.95	323.80	285.40	283.75	286.50	-	293.80
21-Sep	269.82	337	291.50	301.75	304.25	-	303.75
Source: Reuters/fpma							

IGC Wheat Balance Sheet					
(Fig. in MMT)	2018-19	2019-20 est.	2020-21 F'cast.	2021-22 proj.	
				26.08.2021	23.09.2021
Production	732	761	773	782	781
Trade	168	185	190	189	191
Consumptions	740	746	770	783	783
Carryover stocks	260	275	279	278	277
Y-O-Y change	-8	16	4	-	-2
Major Export	69	63	61	55	54

IGC Balance Sheet Highlight:

- IGC has estimated global wheat production at 781 MMT for 2021-22, lower by 1 MMT as compared to last month's estimate. According to estimates by IGC the 2019-20 global wheat production was around 761 MMT and 732 MMT for 2018-19.
- The trade estimates for 2021-22 have increased to 191 MMT. It is 2 MMT higher compared to the previous estimate and also higher from 2020-21.
- Consumption has been higher at 783 MMT for 2021-22. The forecast is higher by 13 MMT compared to 2020-21.
- Carryout for 2021-22 is forecast at 277 MMT compared to an estimate of 278 MMT in previous month. It is lower by around 2 MMT compared to 2020-21.

USDA Balance Sheet

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USDA Global Wheat Balance Sheet: 2020-21 Fig. In Thousand Tonne						
Country	Opening Stock 2021-22	Production 2021-22	Domestic Consumption 2021-22	Import 2021-22	Export 2021-22	Ending Stock 2021-22
Argentina	3,188	20,000	6,450	4	13,500	3,242
Australia	4,378	31,500	8,200	200	23,000	4,878
Canada	5,705	23,000	8,000	700	17,000	4,405
China	1,44,119	1,36,900	1,49,000	10,000	1,000	1,41,019
EU	10,066	1,39,000	1,08,500	5,400	35,000	10,966
India	27,800	1,09,520	1,05,000	25	3,500	28,845
Pakistan	2,854	27,000	27,200	2,500	600	4,554
Russia	11,982	72,500	40,000	500	35,000	9,982
Ukraine	1,505	33,000	9,400	100	23,500	1,705
U S	22,965	46,179	32,276	3,674	23,814	16,728
Others	58,002	1,41,680	2,92,914	1,73,950	23,823	56,895
World total	**2,92,564**	**7,80,279**	**7,86,940**	**1,97,053**	**1,99,737**	**2,83,219**

Source:USDA

CBOT Futures Sep-21 Chart:

1st Support: 550.20
2nd Support: 500.10
1st Resistance: 760.10
2nd Resistance: 800.20
($ per tonne)

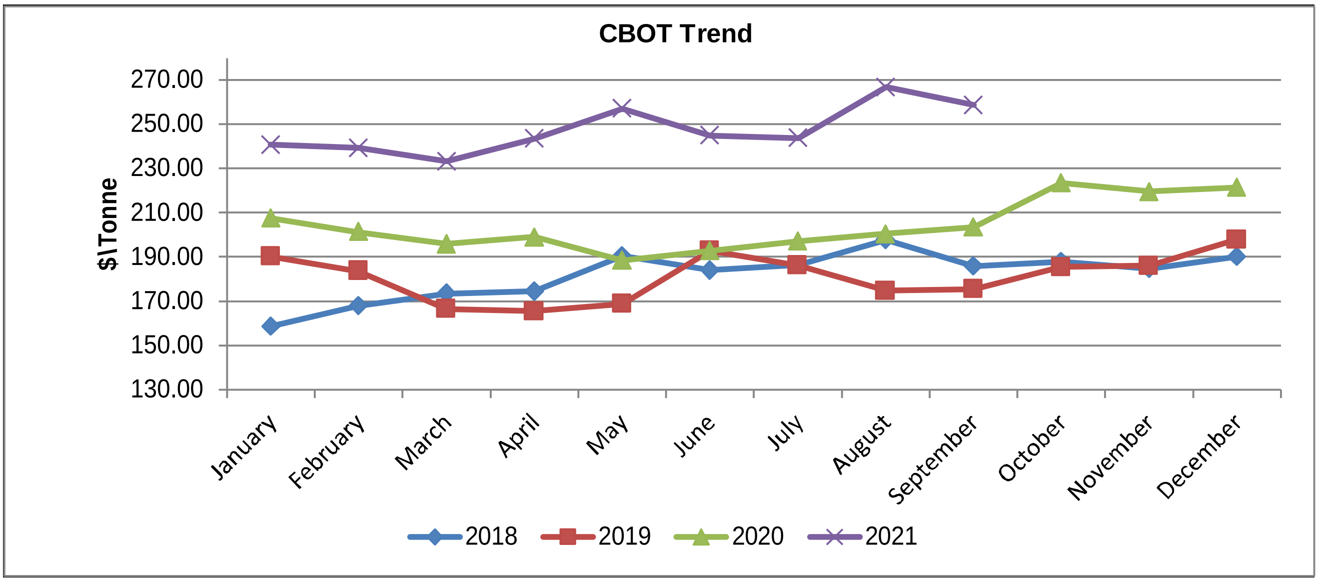
The Sep'21 contract closed higher at the end of the month of September'21 and likely to trade steady to firm during the next month. Candlestick's pattern denotes a bullish trend in the chart. Robust demand along with the rumour of increase in export duty by Russia is expected to make the trade firm in the coming month.

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
	30-Sep-21	23-Sep-21	30-Aug-21	30-Jun-21	01-Apr-21	30-Sep-20	
Sep-21	266.55	263.70	259.66	249.65	225.03	215.57	23.65
Dec-21	270.59	267.65	265.35	251.67	227.33	218.97	23.57
Mar-22	271.69	268.94	270.77	253.87	229.35	221.36	22.74
May-22	265.08	262.05	273.35	254.61	229.63	220.35	20.30
Jul-22	265.63	262.60	266.18	252.50	222.83	-	-
Sep-22	267.65	264.44	266.73	252.50	212.45	-	-
Dec-22	268.48	265.08	268.57	-	-	-	-

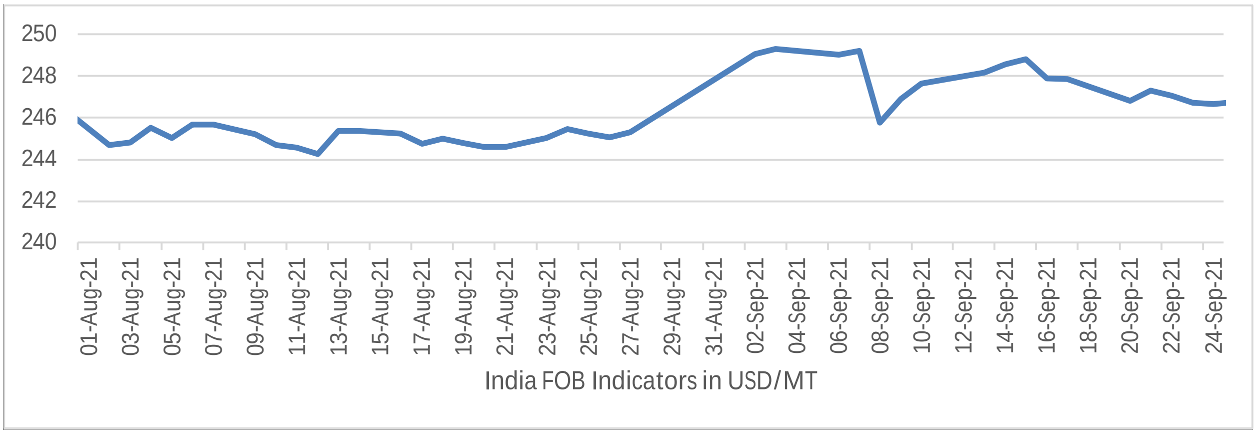
CBOT Trend: -

CBOT rose amid global supplies issues in September 2021 as shown in the chart. CBOT Wheat futures may rise further amid robust domestic demand for wheat and rumour of increase in export duty by Russian federation in going in the market. The projections of harvest have been lowered by many countries including European union and France.



Global Indicative FoB Quotes:

Indian FoB quote is based on local prices. Indian FoB quote is being quoted at $245.08 per tonne. US quotes is hovering at $269.82 per tonne. The impact of wheat production failure has created a major global concern. Australia is expected to produce very good harvest which can impact the export demand of India. Indian exports will suffer due to the current container shortage issue leading to higher shipping cost.



India FOB Indicators in USD/MT

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