# Wheat Monthly Research Report

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## Market Dynamics:

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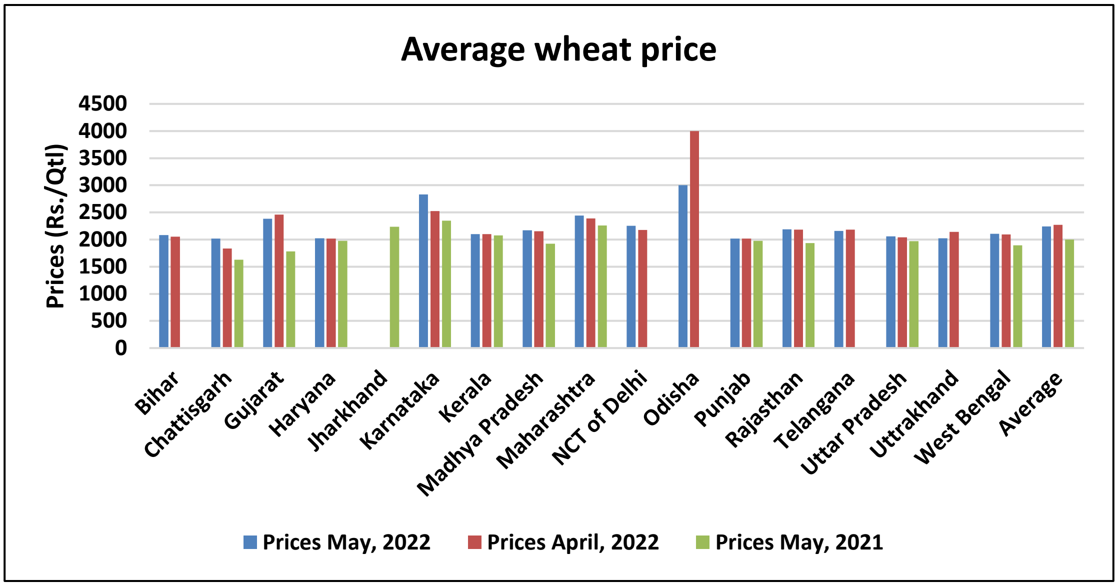
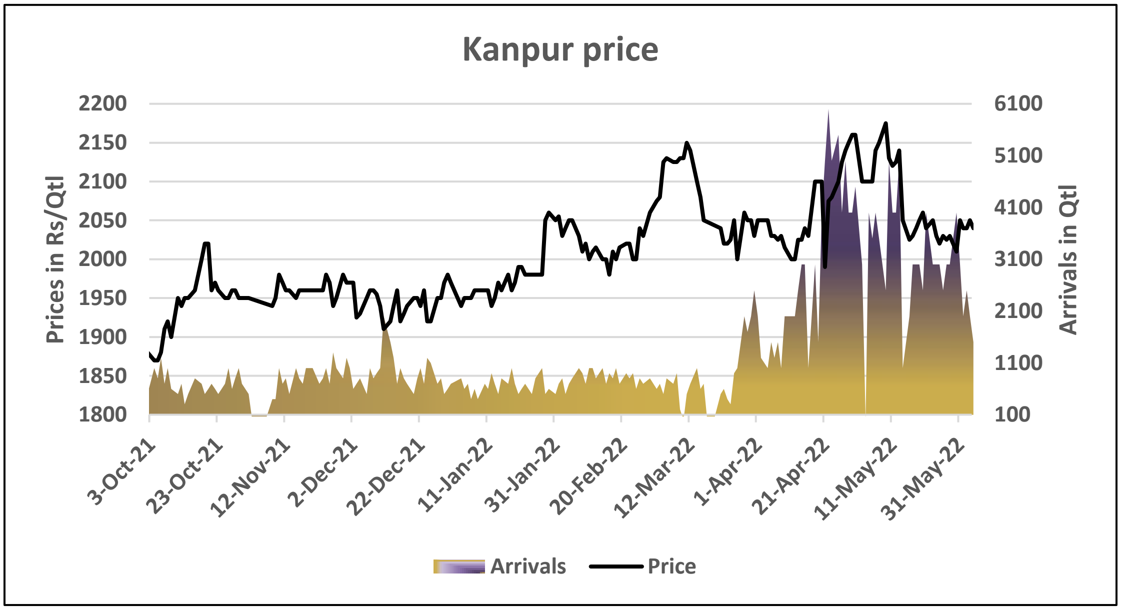
### Price Trend:

- All India average monthly prices was trading steady to slightly weak compared to previous month. The prices were weak mainly due to correction that has occurred due to the export ban. The prices were down by 1.44 percent compared to April month. The average monthly price in May was Rs. 2240.35 per quintal.




- In Kanpur, the monthly average price of wheat for the month of May remains steady. The May average price was trading at Rs. 2072.80per quintal compared to Rs 2064.62 per quintal in the month of April.




### Production Estimates for Rabi 2021:

- As per USDA's FAS report, the Indian wheat crop yield has been reduced by 10-15%, taking the overall production for 2022-23 MY at 990 Lakh MT (LMT). Under the current market supply situation, India's wheat exports in MY 2022-23 would barely touch upon 60 LMT, compared to MY 2021-22 export of 85 LMT and MY 2022-23's initial projection of 100 LMT.
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- Government of India in its third advance estimate has revised the wheat production estimate down at 1064.1 LMT against 1113.2 LMT estimated in second advance estimates. AgriWatch has revised down the Wheat production estimate to 977.6 LMT from previous estimate of 1038.0 LMT due to yield loss in the ripening and harvesting stages of crop.

## Production Estimates (LMT):

| | 2020-21 | 2021-22 (Previous Estimate) | 2021-22 (Revised Estimate) |
|---|---|---|---|
| **GOI** | 1095.9 | 1113.2 | 1064.1 |
| **AgriWatch** | 1026.8 | 1038.0 | 977.6 |
| **USDA** | 1095.9 | - | 1085.0 |

## STATEWISE AGRIWATCH REVISED APY ESTIMATE

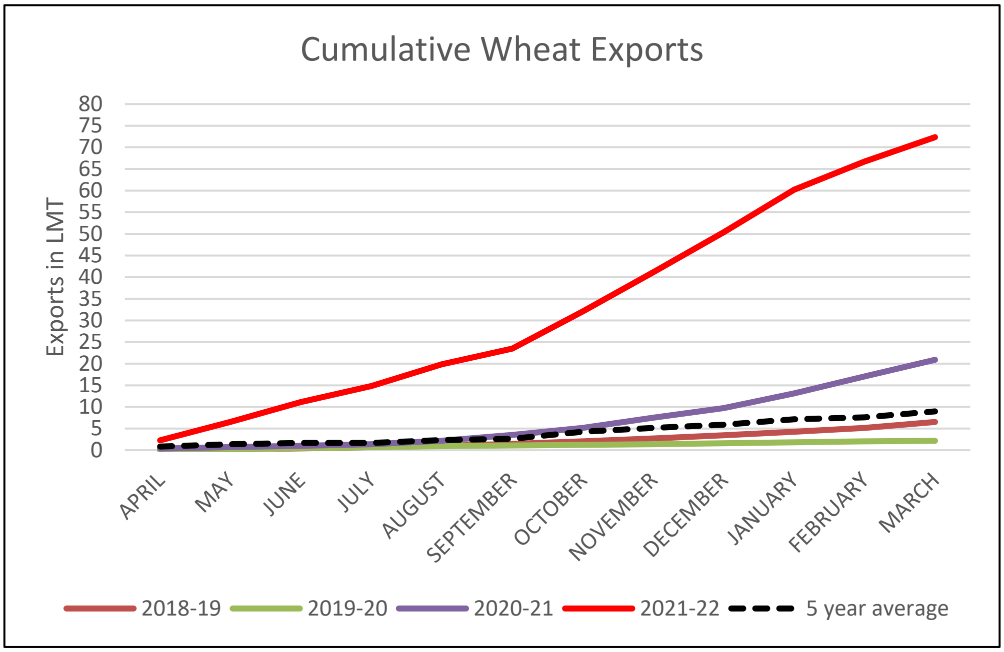
| State/UT | Acreage (Lakh Ha) | | Yield (Kg/Ha) | | Production (LMT) | |
|---|---|---|---|---|---|---|
| | 2020-21 | 2021-22 | 2020-21 | Current Estimate | 2020-21 | Current Estimate |
| Assam | 0.09 | 0.09 | 1259.6 | 1269.3 | 0.11 | 0.11 |
| Bihar | 22.99 | 24.21 | 1999.4 | 2069.51 | 45.97 | 50.10 |
| Chhattisgarh | 2.01 | 1.72 | 1294.92 | 1303.89 | 2.61 | 2.24 |
| Gujarat | 13.66 | 12.50 | 2857.25 | 2771.53 | 39.04 | 34.64 |
| Haryana | 25.21 | 23.87 | 4736.45 | 4357.53 | 119.41 | 104.01 |
| Himachal Pradesh | 3.40 | 3.40 | 1696.24 | 1710.83 | 5.77 | 5.82 |
| Jammu & Kashmir | 2.52 | 2.50 | 1891.78 | 1922.04 | 4.76 | 4.80 |
| Jharkhand | 2.31 | 2.26 | 1975.85 | 1935.16 | 4.57 | 4.37 |
| Karnataka | 1.90 | 1.67 | 929.63 | 933.12 | 1.76 | 1.56 |
| Madhya Pradesh | 87.98 | 91.96 | 2349.4 | 2465.47 | 206.70 | 226.73 |
| Maharashtra | 11.64 | 10.60 | 1463.57 | 1458.4 | 17.04 | 15.46 |
| Orissa | 0.00 | 0.02 | 1626.03 | 1632.35 | 0.00 | 0.02 |
| Punjab | 35.10 | 35.02 | 5009.92 | 4508.93 | 175.85 | 157.90 |
| Rajasthan | 32.62 | 31.00 | 2919.3 | 2890.1 | 95.24 | 89.59 |
| Uttar Pradesh | 99.04 | 97.23 | 2958.19 | 2721.53 | 292.99 | 264.61 |
| Uttarakhand | 3.27 | 3.22 | 2399.73 | 2411.23 | 7.85 | 7.76 |
| West Bengal | 2.52 | 2.46 | 2779.01 | 2788.44 | 7.00 | 6.85 |
| Others | 0.10 | 0.17 | 1000 | 1000 | 0.10 | 0.17 |
| **All India** | **346.37** | **343.89** | **2964.46** | **2840.38** | **1026.75** | **976.76** |

## BALANCE SHEET

| | Wheat MY Runs from April To March (Figures in MMT) | 2021-22 | 2022-23 |
|---|---|---|---|
| **A** | **Carry in** | **29.24** | **27.31** |
| **B** | Production | 102.68 | 97.76 |
| **C** | Imports | 0.00 | 0.00 |
| **D** | **Total Availability (A+B+C)** | **131.92** | **125.07** |
| **E** | Consumption | 97.30 | 98.27 |
| **F** | Exports | 7.31 | 6.00 |
| **G** | Total Usage (E+F) | 104.61 | 104.27 |
| **H** | **Carry out (D-G)** | **27.31** | **20.80** |
| **I** | Av Monthly Consumption | 8.11 | 8.19 |
| **J** | Stock to Month Use | 3.37 | 2.54 |
| **K** | Stock to Consumption Ratio | 0.28 | 0.21 |

**Export:**

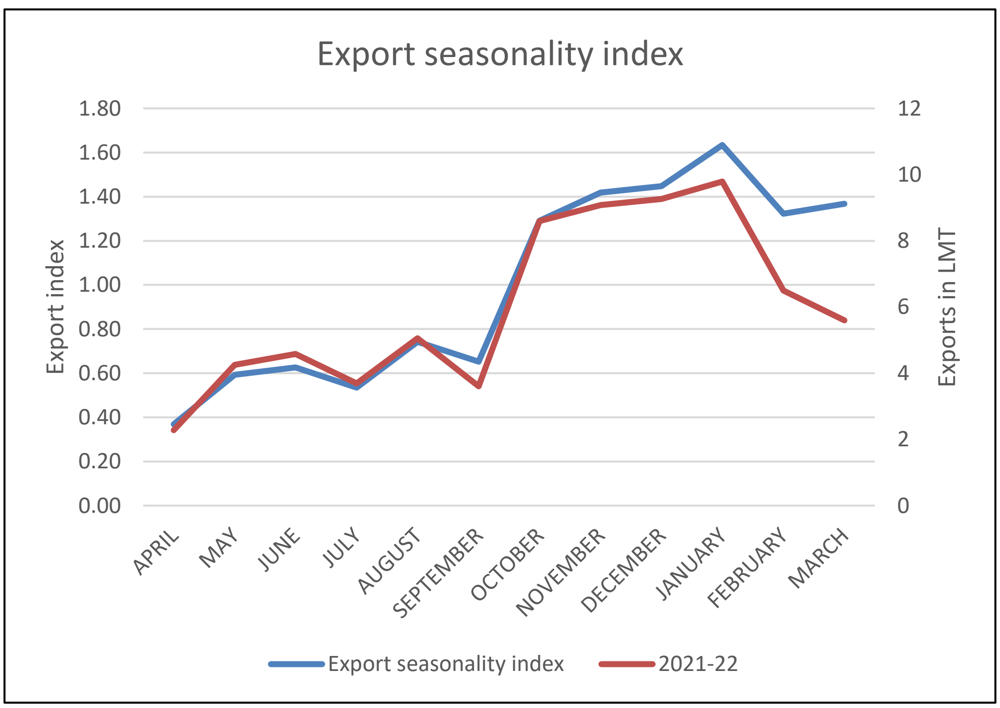
- As per trade sources, the wheat exports in the month of April are estimated to be around 20.66 LMT which is almost 4 times higher compared to approx. 5.5 LMT exported in the month of March 2022. The largest importer of Indian wheat was Bangladesh with 4.97 LMT followed by Yemen with 2.38 LMT and South Korea with 2.26 LMT.




- As Government has banned wheat exports with HS codes: 1001, 10011900, 100199, 10019910, 10019920. This includes all the type of wheat. Though government has made transitional arrangements for those who have issued Irrevocable Letter of credit (ICLC) on or before 13th May.

- Also, government is interested to export wheat if there is a food crisis in any country and the government of that country requests Indian government.

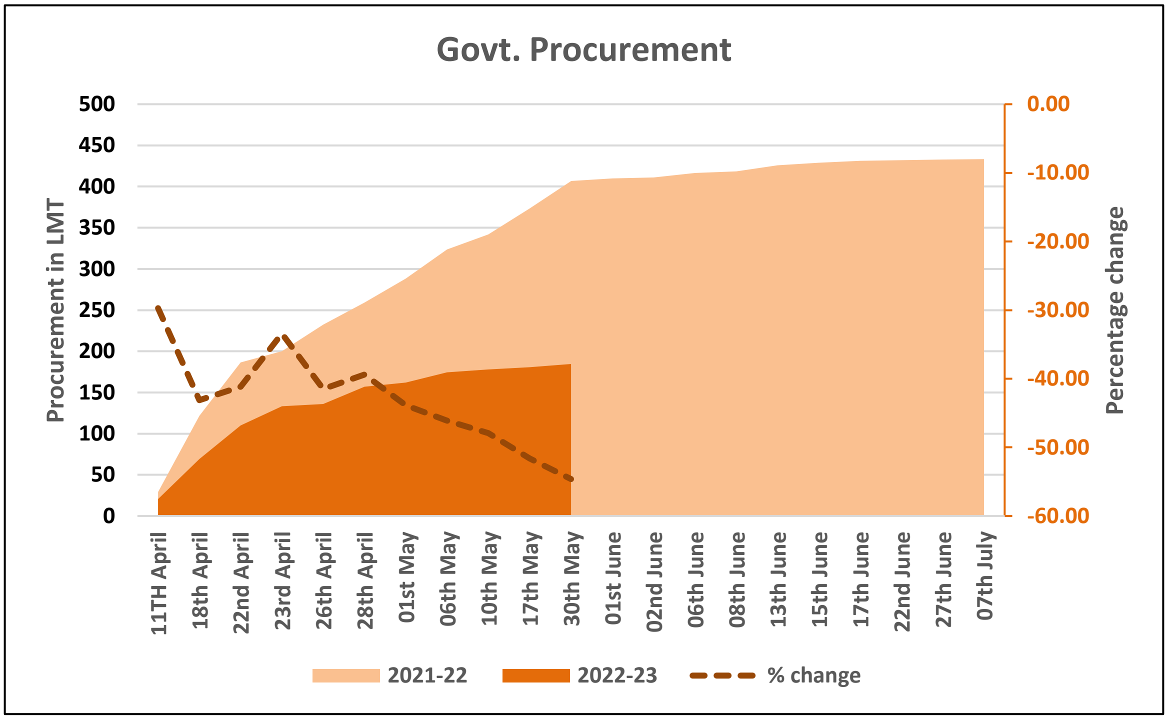
- AgriWatch had already expected and mentioned about export restrictions and scenario of prices fall in the wheat weekly report dated 26th April 2022.




- As per sources, Bangladesh has planned to import 10 Lakh MT (LMT) of wheat from India under the Government-to-Government contract. Earlier, Bangladesh has completed a tender for the import of around 3 LMT of wheat from India out of which 1.5 LMT is being unloaded at the Chattogram port. Annually, Bangladesh has wheat demand for 75 LMT out of which 11 LMT are produced locally and the rest of it is imported. Meanwhile, Turkey has rejected an Indian wheat consignment on phytosanitary concerns on May 29. The wheat consignment was detected with Indian Rubella disease and was rejected. As the crops from USA has started arriving in the market as well as development of corridor by Russia for export of wheat is likely to reduce dependence of major importers on India.

## Procurement:

- The As on May 29th, wheat procurement stood at 184.58 Lakh MT (LMT) which is down by 54.62% from 406.76 LMT procured during previous year.




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

- In Haryana, only 40.97 LMT was procured by government compared to 84.93 LMT last year. In UP, the government procurement is just 2.84 LMT against 56.41 LMT last year. In MP, the government procurement is just 44.46 LMT this year against 128.16 LMT last year and in Rajasthan, the government procurement is just 1685 MT against 23.4 LMT last year.

- Farmers are still waiting for the prices to go up in the coming days and as a result most of them are still not giving the stocks to government.

## Weather Update:

- During the month of May, rainfall activity has been reported in several parts of the country and as per IMD, normal rainfall is expected which will bring good kharif crop.

## Outlook & Recommendation*:*

- For the month of June, we can expect the prices to trade with steady to slightly firm bias. Though the export pace has reduced due to export ban, the consumption of wheat in feed as well as domestic consumption is on higher side due to lower allocation of wheat in PMGKAY which tend to support the domestic market.

## Trade Call:

- There is no trading at NCDEX for wheat.

## Rabi Area under Wheat 2021-22:

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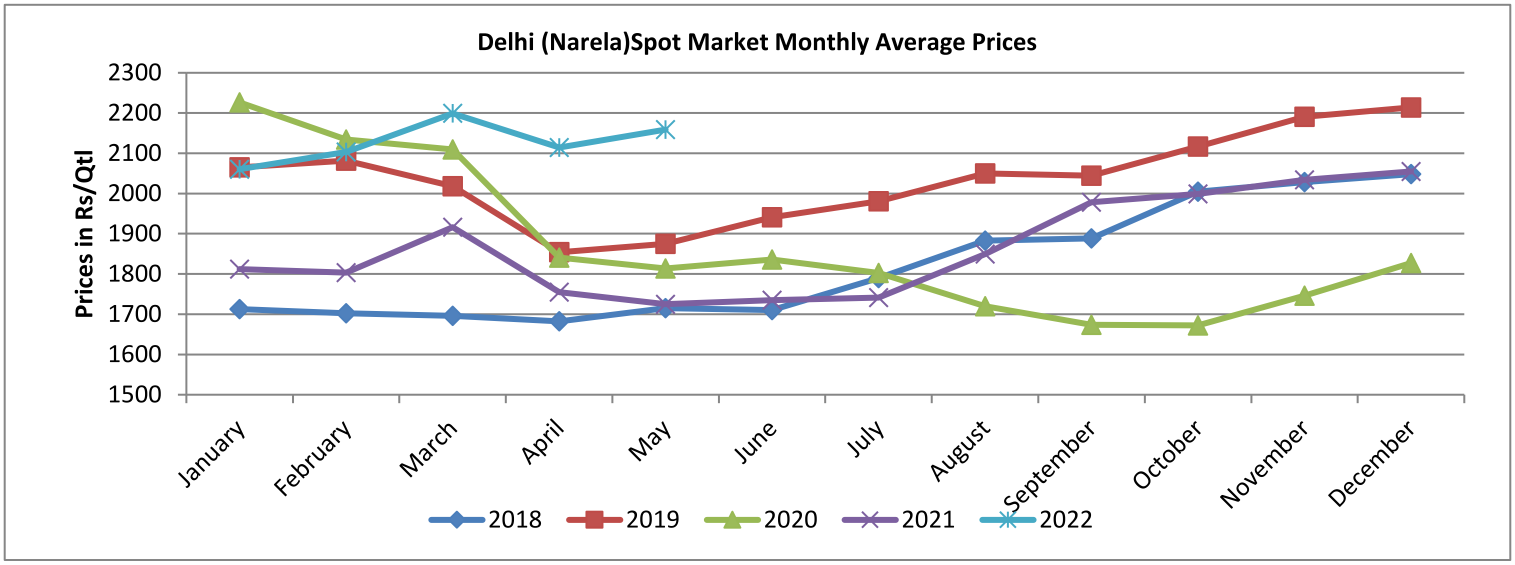
| State Wise Wheat Sowing in Lakh Hectares (as on 04.02.2022) | | | | |
|---|---|---|---|---|
| State | Normal area (2021) | 2021 | 2020 | Absolute Change 2021 vs. 2020 |
| Bihar | 21.25 | 24.21 | 22.99 | 1.22 |
| Chhattisgarh | 1.08 | 1.69 | 1.98 | -0.29 |
| Gujarat | 9.44 | 12.50 | 13.66 | -1.16 |
| Haryana | 25.32 | 23.87 | 25.21 | -1.34 |
| Himachal Pradesh | 3.22 | 3.40 | 3.40 | 0.00 |
| J&K | 2.80 | 2.48 | 2.50 | -0.02 |
| Jharkhand | 1.94 | 2.26 | 2.31 | -0.05 |
| Karnataka | 1.67 | 1.67 | 1.90 | -0.23 |
| Madhya Pradesh | 58.65 | 91.96 | 87.98 | 3.98 |
| Maharashtra | 10.20 | 10.60 | 11.88 | -1.28 |
| Punjab | 35.11 | 35.02 | 35.09 | -0.07 |
| Rajasthan | 29.49 | 31.00 | 32.62 | -1.62 |
| Uttar Pradesh | 96.89 | 97.23 | 99.04 | -1.81 |
| Uttarakhand | 3.32 | 3.22 | 3.27 | -0.05 |
| West Bengal | 2.16 | 1.89 | 1.94 | -0.05 |
| Others | 0.20 | 0.00 | 0.000 | 0.00 |
| **All-India** | **303.06** | **343.26** | **346.10** | -2.84 |

*Source: Ministry of Agriculture*

## Ongoing Wheat Procurement RMS 2022-23 (Source: FCI)

| State/UTs | Procurement in LMT (as on 29.05.2022) |
|---|---|
| Punjab | 96.16 |
| Haryana | 40.97 |
| Uttar Pradesh | 2.84 |
| Madhya Pradesh | 44.46 |
| Rajasthan | 0.02 |
| Others | 0.13 |
| **All-India** | **184.58** |

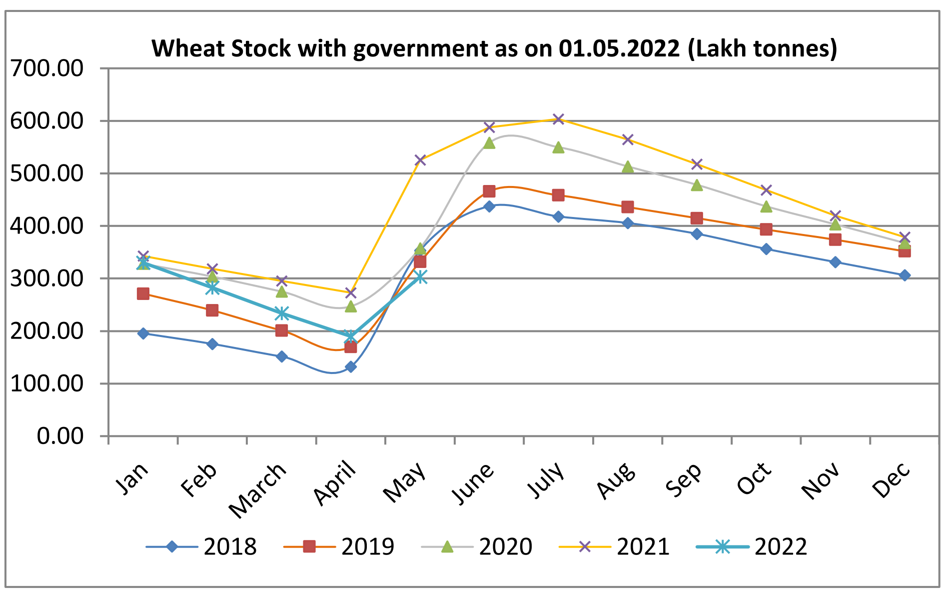
## Wheat Delhi Average Monthly Price:



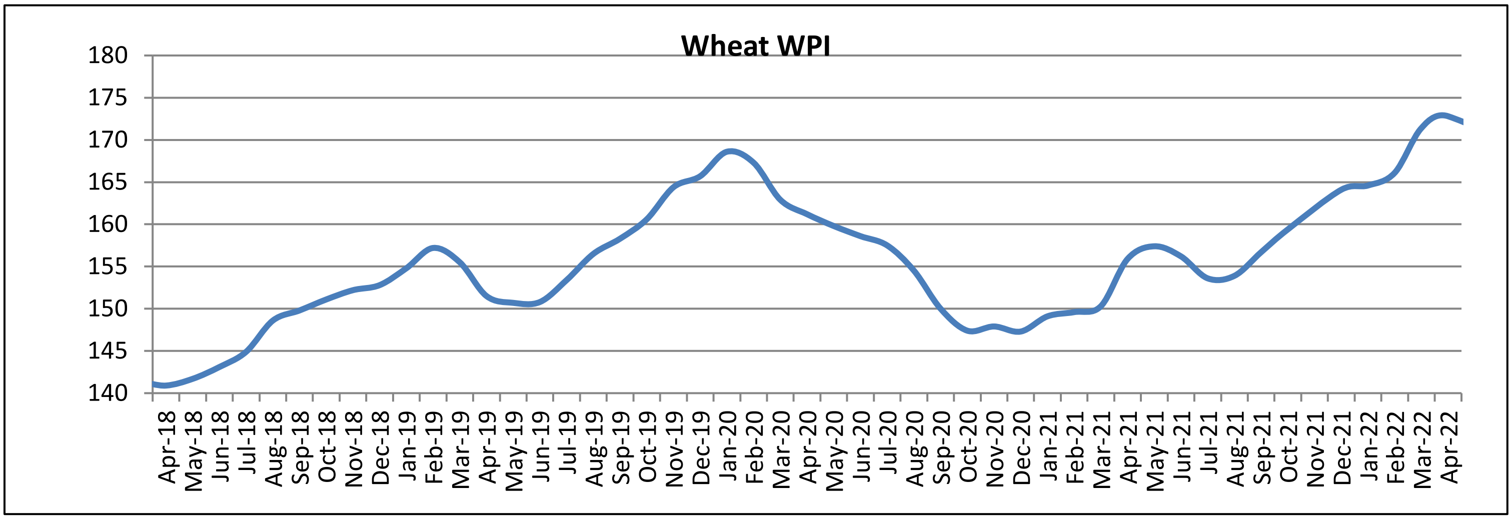

- The wheat spot market Delhi (Narela) prices rose in the month of May against April month. The average prices were up by 2.12 percent from Rs. 2114 per quintal to Rs. 2158.86 per quintal.
- The prices have reacted according to the government policy changes. The prices were on higher side during the start of the month due to good export demand after which the prices have corrected. While on year-on-year basis, the prices have increased by 25.15 percent.
- In the month of June, the prices in Narella is expected to stay in the range of Rs 2080-2180 per quintal.

## Wheat Stocks with the Government:

- Wheat stocks in government warehouses as of May 1st, 2022 was 30.35 MMT.
- The stocks for the month of May are lowest in last 5 years. This is due to lower purchase of wheat from the procurement front. Though the buffer norms of wheat as of July 1st is 27.58 MMT.
- The lower stocks have resulted in revising allocation of wheat for distribution under various schemes.



## Wheat Inflation:




- Wheat WPI has increased from 171.40 in March 2022 to 172.80 in April 2022. Monthly wheat inflation has increased by 0.82 percent in April-2022 compared to the previous month due to huge exports and high international prices. While on year-on-year basis, the price index has increased by 10.84 percent.

- For the month of May, we expect the price index to show steady to slightly firm trend as there were slight correction in wheat prices due to export ban.

| Month/Year | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|---|---|---|---|---|
| **Jan** | 140.8 | 154.8 | 168.6 | 149.1 | 164.6 |
| **Feb** | 140 | 157.8 | 167.3 | 149.5 | 166.1 |
| **Mar** | 141.2 | 155.5 | 162.9 | 150.2 | 171.4 |
| **Apr** | 140.9 | 151.5 | 162.5 | 155.9 | 172.8 |
| **May** | 141.7 | 150.7 | 159.8 | 157.4 | |
| **Jun** | 143.1 | 150.8 | 158.6 | 156.2 | |
| **Jul** | 144.9 | 153.4 | 157.5 | 153.6 | |
| **Aug** | 148.6 | 156.5 | 154.5 | 153.9 | |
| **Sep** | 149.8 | 158.3 | 150 | 156.7 | |
| **Oct** | 151.1 | 160.6 | 147.4 | 159.4 | |
| **Nov** | 152.2 | 4.4 | 147.9 | 162.9 | |
| **Dec** | 152.8 | 165.7 | 147.3 | 164.1 | |

## Monthly Price Comparison of Spot Markets:

| Monthly Average Spot Prices at Various Market (Rs/Quintal) | | | | | |
|---|---|---|---|---|---|
| **Month** | **Delhi** | **Indore** | **Kota** | **Rajkot** | **Chennai** |
| **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 | 2168 |
| **21-Sep** | 2078.08 | 2012.60 | 2044.04 | 2047.60 | 2298.08 |
| **21-Oct** | 2150.63 | 2080.00 | 2131.25 | 2087.61 | 2366.67 |
| **21-Nov** | 2187.04 | 2102.00 | 2187.75 | 2124.24 | 2440 |
| **21-Dec** | 2196.11 | 2079.04 | 2144.07 | 2091.30 | 2479.63 |
| **22-Jan** | 2227.92 | 2115.83 | 2128.54 | 2094.58 | 2458.33 |
| **22-Feb** | 2278.75 | 2130.00 | 2145.00 | 2083.00 | 2445.00 |
| **22-Mar** | 2347.00 | 2200.00 | 2288.00 | 2328.89 | 2486.00 |
| **22-Apr** | 2254.62 | 2260.00 | 2308.08 | 2317.29 | 2508.00 |
| **22-May** | 2283.85 | 2247.86 | 2289.00 | 2300.00 | 2504.00 |

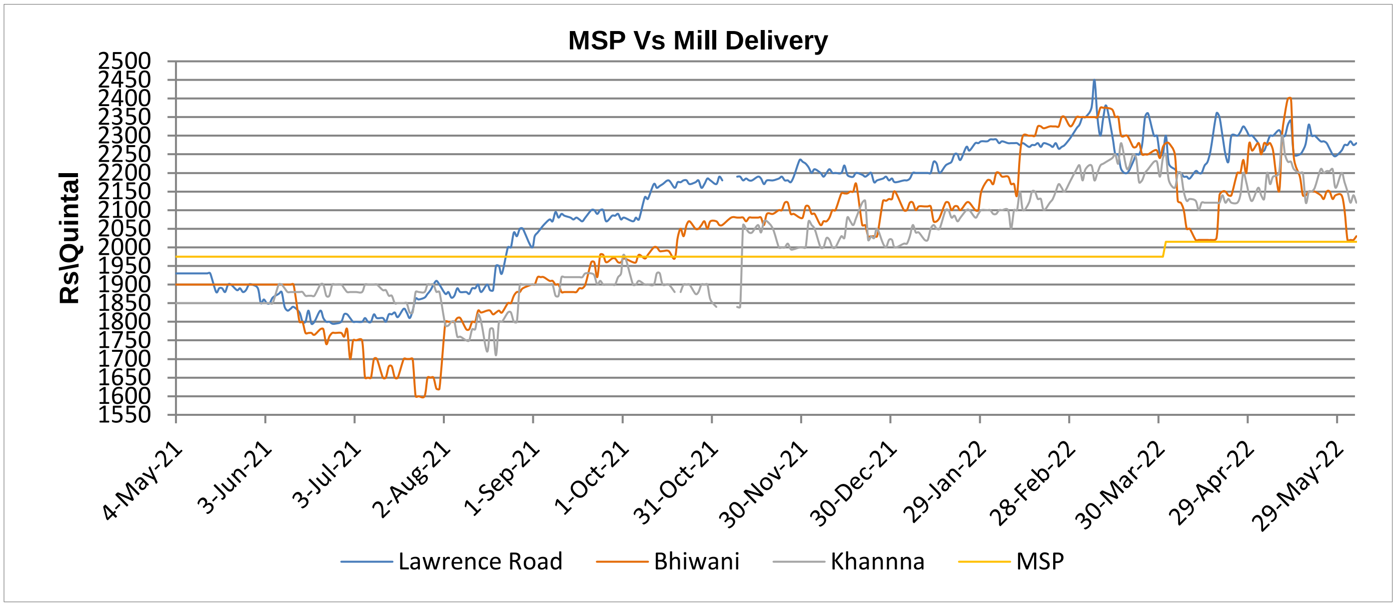
AGRIWATCH

# Wheat Monthly Research Report June- 2022

## Monthly Price Comparison of Spot Markets

| Spot Market Price: | | | | | | | |
|---|---|---|---|---|---|---|---|
| Centre | Market | Variety | Prices (Rs/Qtl) | | | | |
| | | | Today | Yesterday | Week Ago | Month Ago | Year Ago |
| | | | 4-Jun-22 | 3-Jun-22 | 28-May-22 | 4-May-22 | 4-Jun-21 |
| Delhi | Lawrence Road | Mill Delivery | 2280 | 2275 | 2245 | 2260 | 1850 |
| | Narella | Mill Quality Loose | 2100 | 2100 | 2180 | Closed | - |
| | Nazafgarh | Mill Quality Loose | 2100 | 2100 | 2060 | Closed | - |
| Gujarat | Rajkot | Mill Delivery | 2115 | 2130 | 2135 | 2420 | 1750 |
| | Ahmedabad | Mill Delivery | 2280 | 2315 | 2275 | 2420 | 1835 |
| | Surat | Mill Delivery | 2325 | 2360 | 2330 | 2460 | 1915 |
| | Dhrol | Mill Delivery | 2355 | 2280 | 2395 | 2465 | - |
| M.P. | Indore | Mill Delivery | 2200 | 2250 | 2180 | 2300 | 1850 |
| | Bhopal | Mill Quality Loose | 2050 | 2000 | 2000 | 2020 | 1750 |
| Rajasthan | Kota | Mill Quality Loose | 2050 | 2050 | 2000 | 2250 | - |
| | | Mill Delivery | 2200 | 2200 | 2150 | 2400 | - |
| U.P. | Kanpur | Mill Delivery | 2130 | 2125 | 2105 | 2175 | 1750 |
| | Mathura | Mill Quality Loose | 2105 | 2070 | 2100 | 2180 | 1700 |
| | Kosi | Mill Quality Loose | 2100 | 2070 | 2100 | 2210 | 1690 |
| | Hathras | Mill Quality Loose | 2050 | 2080 | 2120 | 2180 | 1680 |
| | Aligarh | Mill Quality Loose | 2070 | 2100 | 2100 | 2100 | 1670 |
| Punjab | Khanna | Mill Quality Loose | 2040 | 2055 | 2070 | 2040 | Closed |
| | Ludhiana (Jagraon) | Mill Delivery | 2200 | 2200 | 2200 | 2150 | - |
| Haryana | Sirsa | Mill Delivery loose | 2015 | 2000 | 2015 | 2100 | 1790 |
| | Hodal | Mill Delivery | - | - | - | - | - |
| | Bhiwani | Mill Quality Loose | 1960 | 1950 | 2100 | 2200 | Closed |
| | Karnal | Mill Delivery | - | - | - | - | - |
| | Panipat | Mill Quality Loose | - | - | - | 2030 | - |
| TamilNadu | Chennai | Mill Quality | 2450 | 2450 | 2500 | 2500 | - |
| | Madurai | Mill Quality | 2507 | 2650 | 2700 | 2700 | - |
| | Coimbatore | Mill Quality | 2507 | 2700 | 2750 | 2750 | - |
| Bihar | Khagariya | Mill Delivery | 2100 | 2100 | 2250 | 2200 | 1850 |
| | Muzaffarpur | Mill Delivery | 2100 | 2100 | 2100 | 2125 | 1800 |

## MSP vs. Mill Delivery Prices:




- In Lawrence Road, Bhiwani and Khanna market, the prices are moving above the MSP of Rs. 2015. Though the prices fell after export ban reaching close to the MSP specially in Bhiwani market.

- The prices of mill delivery are expected to see steady to slightly firm trend in the month of June as the domestic demand still remains on higher side.

## International Market Dynamics

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- **Wheat acreage in Australia is expected to fall in upcoming MY 2022-23 (October-September) due to rising input costs. Drop in** wheat acreage may also lead to decline in output and exports. The reduction is due to a rise in fertilizer, diesel, and chemical prices. It is anticipated that wheat acreage to range around 12.6 million-12.9 million hectares. In MY 2021-22, Australia's wheat acreage was around 13.03 million hectares. The Australian Crop Forecasters has forecasted MY 2022-23 wheat acreage at 12.7 million hectares, down 4% on year from 13.3 million mt.

- **Australia and New Zealand has approved use and sale of GMO wheat from Argentina. Argentina has produced 21.8** MMT of wheat in 2021-22, though a slight reduction in production is expected in coming season due to unfavorable season.

- **Pakistan has approved import of 3 MMT of wheat and decided to continue relief package for two more months – May** and June 2022. The relief package will provide wheat flour at the subsidized rate of Pakistani rupee 800 for 20kg bag.

- **As per Rosaria grain exchange, Argentina's wheat production is expected to fall due to expected dry weather. The** Exchange said it projects wheat production to decline to 19 million tonnes, down from a record 22.1 million tonnes in 2021-22, as a La Niña weather pattern is expected to reduce rainfall in the coming months.

- **As per USDA, wheat output for China is expected to fall by 1.4 % to 135 MMT. The production in Argentina, Australia and** EU is likely to be lower compared to last year. However, the wheat crop in Russia is likely to be 80 MMT, higher than previous year production but still lower than Russia's own estimate of 87 MMT.

- **Due to Canada's crop being hit by drought in 2021-22, some of the importers have been hit. Canada harvested 19 MMT** of non-durum wheat last fall, which is 34 percent drop from the previous year. China and Indonesia are the two markets that were the hardest hit. Sales to China through the first seven months of the crop year were 529,000 MT, which is 1.25 MMT drop from the same period a year ago. Indonesia has imported 599,000 MT of Canadian wheat in that same time frame, down by 713,000 MT from a year ago.

- **As per sources, UK grain production for 2022-23 MY is expected to reach 22.85 MMT, an increase of 450,000 MT from** last year and more than 3.8 MMT higher than 2020-21. Wheat production has improved in 2021-22 to 14 MMT from the previous 40-year low wheat crop, but it is still below expectations.

- **Pakistan is expected to reap around 26.9 MMT of wheat this season against a target of 28.9 MMT. There is an** unexpected and early heatwave in mid-March which has shriveled the wheat grains, also there is poor application of fertilizer (both DAP and urea), either due to unavailability or higher costs, as well as a severe shortage of water also depleted crops.

- **Due to global supply concerns, Egypt will allow wheat shipments with a moisture level of up to 14% for a year, up from** 13.5%. Egypt usually sources most of its wheat from Russia and Ukraine, where conflict has disrupted its purchases of relatively cheaper Black Sea wheat and inflated global prices. Egypt has received 82% of its wheat from Ukraine and Russia in 2020, and USDA estimated Egypt would import a total of 12 million tonnes during 2021-22.

- **As per Buenos Grain Exchange, Argentina's wheat planting area for the 2022-23 season is expected to be around 6.5** mha, down from 6.6 mha previously forecast. The exchange said the 100,000-hectare reduction on dry conditions in northern Argentina, with no rains seen in short term forecasts.

## Global Wheat Average FoB

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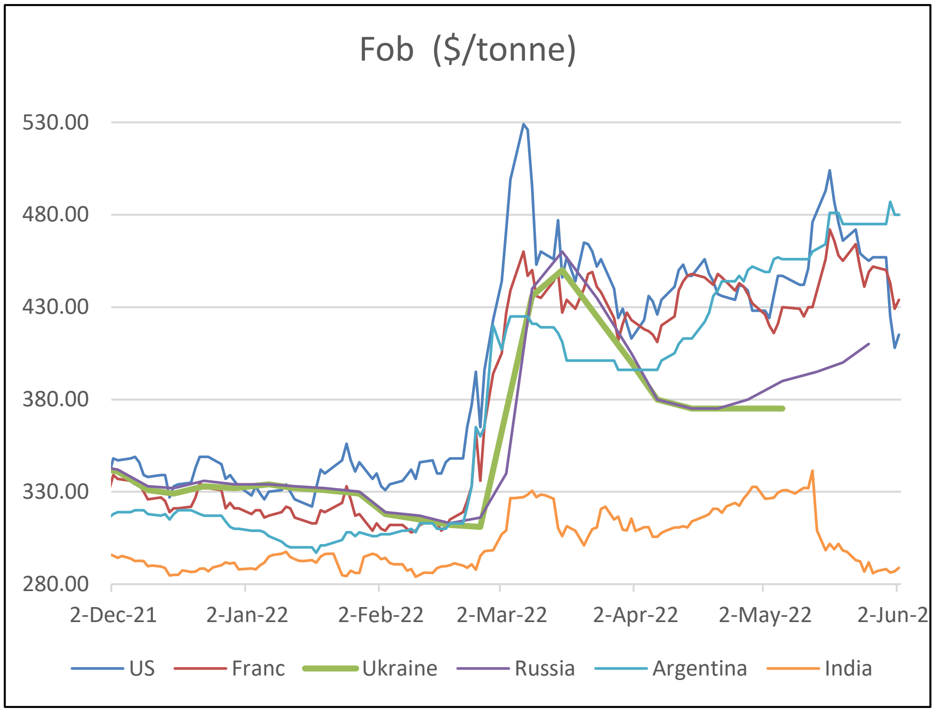
| Global Indicative FoB Quotes | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Month | US SRW2 (USD/MT) | US HRW2 (USD/MT) | rgentinaP1 (USD/MT) | Ukraine 12.5% (USD/MT) | Russia 12.5% (USD/MT) | Australia ASW1 (AUD/MT) | India FOB (USD/MT) | France Grade1 (USD/MT) |
| **Jan-21** | 288 | 286 | - | 289.7 | 292.81 | 253.11 | 260.22 | 287.25 |
| **Feb-21** | 285 | 289 | 254.26 | - | 287.90 | 254.68 | 257.72 | 287 |
| **Mar-21** | 277 | 263 | 261 | 249 | 255 | 266 | 250.14 | 279.40 |
| **Apr-21** | 256 | 260 | 261 | 238 | 249 | 266 | 245.46 | 273.00 |
| **May-21** | 294 | 298.50 | 280 | 273.50 | 272.75 | 288.50 | 249.54 | 293.50 |
| **June-21** | 262.88 | 284.80 | 274.20 | 260.25 | 261.50 | 284.80 | 247.34 | 266.80 |
| **Jul-21** | 251.35 | 291.25 | 275 | 241.60 | 243.80 | 281.50 | 244.29 | 248.25 |
| **Aug-21** | 271.95 | 323.80 | 285.40 | 283.75 | 286.50 | 293.80 | 245.00 | 294.00 |
| **Sep-21** | 269.82 | 337 | 291.50 | 301.75 | 304.25 | 303.75 | 247.45 | 300.75 |
| **Oct-21** | 301.60 | 353.25 | 302.25 | 313.80 | 315.40 | 320.75 | 243.10 | 322.75 |
| **Nov-21** | 329.95 | 377.60 | 314.00 | 337.00 | 337.50 | 327.20 | 293.53 | 339.40 |
| **Dec-21** | 329.36 | 379.50 | 317.75 | 333.50 | 335.75 | 308.25 | 290.09 | 326.75 |
| **Jan-22** | 326.53 | 378.50 | 303.75 | 331.50 | 332.25 | 310.50 | 292.19 | 322.75 |
| **Feb-22** | 334.76 | 386.00 | 311.75 | 314.00 | 316.25 | 317.75 | 290.52 | 315.25 |
| **Mar-22** | 445.01 | 485.80 | 411.60 | 437.50 | 411.67 | 390.40 | 316.88 | 430.00 |
| **Apr-22** | 433.63 | 501.33 | 411.00 | 385.00 | 386.67 | 396.00 | 316.64 | 433.33 |
| **May-22** | 433.45 | 502.00 | 449.00 | - | 390.00 | 401.41 | 309.75 | 439.91 |

## Global Indicative FoB Quotes:




- The Russian government has announced developing corridor for grain exports from Ukraine in return of lifting sanctions. Also allowed exporting Ukrainian grains from Belarus ports. This has weakened the global supply concern which was supporting the wheat prices throughout.

- The crop condition for US crop remains poor which will provide some support to the market in addition to worsening crop condition in France.

- The export ban by India has reduced the domestic wheat prices which is backed by depreciation of rupee over dollar which is pressurizing the Indian FOB prices.

## IGC Balance Sheet Highlight:

| IGC Forecast (Fig-In MMT) | 2019-20 | 2020-21 est. | 2021-22 F'cast | 2022-23 Proj | |
|---|---|---|---|---|---|
| | | | | 21.04.2022 | 19.05.2022 |
| **Production** | 761 | 774 | 781 | 780 | 769 |
| **Trade** | 185 | 190 | 194 | 193 | 194 |
| **Consumptions** | 745 | 771 | 778 | 785 | 780 |
| **Carryover stocks** | 275 | 279 | 282 | 277 | 271 |
| **Y-O-Y change** | 15 | 3 | 4 | | -11 |
| **Major Export** | 62 | 60 | 66 | 66 | 60 |

- IGC has projected 2022-23 global wheat production at 769 MMT down from previous estimate of 780 MMT in April. IGC has estimated global wheat production at 781 MMT for 2021-22, similar to last month's estimate.

- The trade projection for 2022-23 is 194 MMT up from previous estimate of 193 MMT.

- Consumption has been decreased from previous estimate of 785 MMT to 780 MMT.

- Carryout for 2022-23 is projected at 60 MMT which is down from previous estimate of 66 MMT.

**USDA Balance Sheet** (Back to Table of Contents)

| USDA Global Wheat Balance Sheet: 2022-23 Fig. In Thousand Tonne | | | | | | |
|---|---|---|---|---|---|---|
| Country | Opening Stock 2022-23 | Production 2022-23 | Domestic Consumption 2022-23 | Import 2022-23 | Export 2022-23 | Ending Stock 2022-23 |
| **Argentina** | 2,326 | 20,000 | 6,550 | 5 | 14,000 | 1,781 |
| **Australia** | 4,832 | 30,000 | 7,550 | 200 | 24,000 | 3,482 |
| **Canada** | 2,918 | 33,000 | 9,100 | 600 | 24,000 | 3,418 |
| **China** | 141,916 | 135,000 | 144,000 | 9,500 | 900 | 141,516 |
| **EU** | 13,611 | 136,500 | 108,500 | 5,000 | 36,000 | 10,611 |
| **India** | 21,350 | 108,500 | 105,000 | 25 | 8,500 | 16,375 |
| **Pakistan** | 4,520 | 26,400 | 27,700 | 1,500 | 300 | 4,420 |
| **Russia** | 12,088 | 80,000 | 42,250 | 300 | 39,000 | 11,138 |
| **Ukraine** | 5,612 | 21,500 | 11,200 | 100 | 10,000 | 6,012 |
| **U S** | 17,824 | 47,050 | 30,210 | 3,266 | 21,092 | 16,838 |
| **Others** | 52,720 | 136,878 | 291,831 | 180,765 | 27,099 | 51,433 |
| **World total** | **279,717** | **774,828** | **783,891** | **201,261** | **204,891** | **267,024** |

*Source:USDA*

## CBOT Futures Mar-22 Chart:


**1st Support: 932.87**
**2nd Support: 865.14**
**1st Resistance: 1127.60**
**2nd Resistance: 1288.46**
**(\$ per tonne)**

- The monthly candlesticks are moving above 9,18,50 and 100 DMA indicating firm trend.
- MACD crossover is also showing bullish trend.
- RSI oscillator above 70 indicates overbought situation, so it is likely that in coming days there might be some corrections.

## 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 |
| Jul-22 | 1-Jun-22 | 25-May-22 | 1-May-22 | 1-Mar-22 | 1-Dec-21 | 1-Jun-21 | 44.36 |
| Sep-22 | 382.56 | 424.99 | 387.79 | 355.28 | 288.96 | 253.51 | 50.91 |
| Dec-22 | 386.60 | 427.47 | 388.80 | 348.57 | 288.96 | 253.41 | 52.56 |
| Mar-23 | 390.82 | 428.48 | 389.44 | 342.60 | 290.06 | 255.34 | 53.06 |
| May-23 | 393.21 | 423.52 | 389.72 | 333.32 | 290.61 | - | - |
| Jul-23 | 390.64 | 403.13 | 387.15 | 317.53 | 285.93 | - | - |
| Sep-23 | 378.42 | 393.03 | 372.45 | 317.53 | 212.45 | - | - |

## CBOT Trend: -

CBOT was slightly firm compared to April month due to worsening condition of French and US crop as well as India's wheat export ban creating global supply concern. Though we expect that in coming month the CBOT may trade weak with the announcement of corridor by Russia for grain shipments.