

# Wheat Weekly Research Report

## Table of Contents

- ❖ **Review and Outlook**
- ❖ **Export/Import**
- ❖ **Weather**
- ❖ **Weekly Price Change**
- ❖ **Stocking Norms**
- ❖ **FOB Quotes**
- ❖ **NCDEX Wheat Contracts**
- ❖ **Wheat Technical Analysis**
- ❖ **Spot Price at NCDEX Delivery Centers**
- ❖ **Domestic Outlook and Spot Prices**
- ❖ **Progressive Sowing**
- ❖ **International Wheat Market**
- ❖ **IGC**
- ❖ **CBOT Future Contract**
- ❖ **CBOT Trend**
- ❖ **International FOB Trend**
- ❖ **International Weekly Outlook**

**Wheat Domestic Market Fundamentals****([Back to Table of Contents](#))**

All India's weekly average prices decreased by 0.67 percent to Rs. 1833.98 per quintal during the week ended 31<sup>st</sup> Dec 2020. Wheat average prices were ruling at Rs 2228.91 per quintal during 24<sup>th</sup> – 31<sup>st</sup> Dec 2019. The wheat prices are unlikely to drop and is going to be steady to firm in coming weeks due to high export demand and low yields this year.

As per the latest update, the area under wheat has increased marginally by 3.63% to 325.35 lakh hectares so far in the ongoing 2020-21 Rabi season from 313.95 lakh hectares in the year-ago same period. The overall trend of Rabi sowing progress is excellent, with increased area coverage recorded due to favourable weather. Lesser area reported in states like Punjab, Rajasthan, Uttar Pradesh and Karnataka.

Wheat sowing has been completed and contrary to official figures. It is estimated that 60% to 65% of wheat has been planted in Gujarat. Farmers have increased planting of gram this year. In the Junagadh-Gir-Veraval region, farmers have sown gram only. Companies buying wheat at Rs 1,850 and there is no recent special trade-in South. Recent export trades in wheat are getting better. Trading at Gandhidham Reach is trading at Rs. 1,800. Traders have suffered a huge loss in the South this year and many payments of wheat have not been paid. As a result, in the new season, traders will deliver more in the export trade than in the south.

Considering the sowing in wheat, the wheat planting in Rajasthan is estimated to be 20% less. Due to the good price of the Chana, mustard, farmers have planted it in other crops instead of wheat. The prices of wheat were reduced from Rs. 1,450 to Rs. 1,500 per quintal to the farmers, compared to the mustard price of mustard-gram and above Rs. 5,000 to Rs. 6,000 at one stage.

In Gujarat, The export demand for wheat is overall good, but recently it has slowed down from two to five days, but the export trade will be good later. Due to the government shutting down free wheat, the pipeline of mills is also empty, as a result, its demand is expected to be good.

According to the market sources, Indian traders are expected to export around 40,000 tonnes of wheat to Bangladesh at \$210-\$220 per tonnes FOB soon. More exports to Bangladesh are likely this financial year as prices of wheat in India have become more competitive in the past few months. Last month, Indian traders signed deals with their counterparts in Bangladesh to export around 200,000 tonnes of wheat. Higher exports from India will give support to domestic prices.

The government has sold 92480 tonnes of wheat in OMSS through E-Auctions in the month of December '20. No rakes were sold. State Government bought 43800 tonnes of wheat, and 48680 tonnes purchase by bulk consumers respectively.

**Outlook & Recommendation:** Wheat cash market is expected to trade steady to firm in the coming week.

**Trade Call:** Stakeholders should trade in September contract taking care of lower and upper price tag of Rs. 1754 respectively.

### Wheat Weekly Export

(Back to Table of Contents)

| A week on week Exports | Quantity in MT   | Average FoB (\$/T) |
|------------------------|------------------|--------------------|
| 01-07 Nov-2020         | 36105.17         | 443.49             |
| 08-14 Nov-2020         | 54522.10         | 801.33             |
| 15-21 Nov-2020         | 57097.50         | 703.27             |
| 22-31 Nov-2020         | 37984.06         | 217.41             |
| <b>Total</b>           | <b>185708.84</b> | <b>468.20</b>      |

Source: Trade

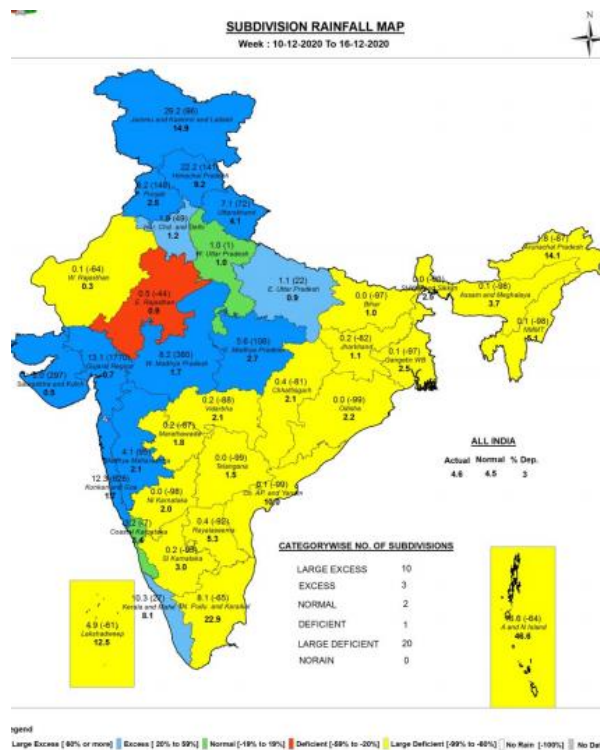
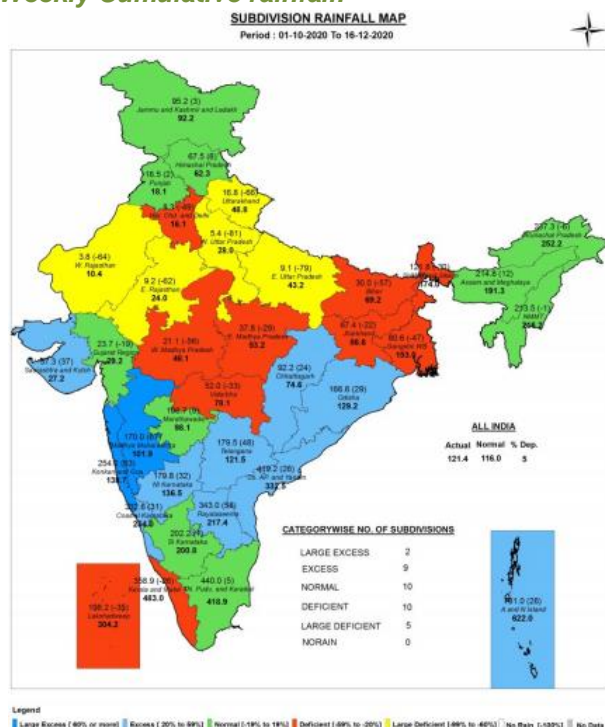
### Wheat Import

| Date     | Origin        | Port      | Quantity in MT |
|----------|---------------|-----------|----------------|
| Oct-2020 | Australia, UK | Tuticorin | 4.0            |
|          | Mexico        |           | 2.3            |
|          | <b>Total</b>  |           | <b>6.38</b>    |

Source: Traders

### Monsoon

#### Weekly Cumulative rainfall:



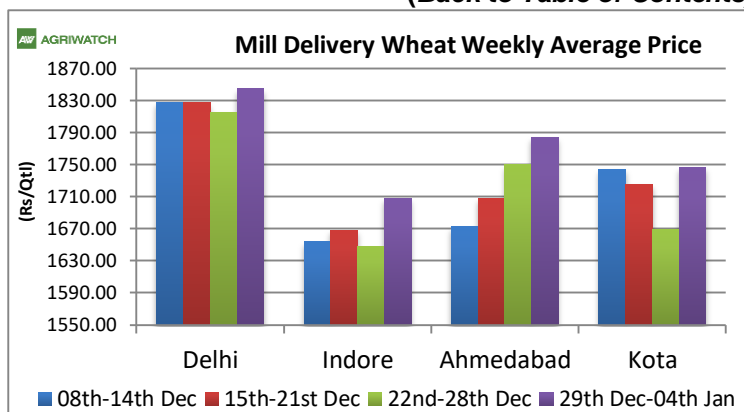
Source: IMD

### Wheat Weekly Average Price Chart

Wheat's average mill delivery prices remained high in all states in the week ending during 29<sup>th</sup> Dec 2020 - 04<sup>th</sup> Jan 2021.

Markets had shown firm movement in prices last week and are likely to trade steady to firm in upcoming weeks. At present, there is a very low possibility of price drop in wheat due to high export and demand from private companies and less cultivation in states like Gujarat and Rajasthan.

[\(Back to Table of Contents\)](#)



### Wheat and Rice Stocking Norms

#### Wheat Stock Norms

| Fig. In Lakh Tonne             | Operational Stock |        |        | Strategic Reserve |       |             |
|--------------------------------|-------------------|--------|--------|-------------------|-------|-------------|
|                                | Rice              | Wheat  | Total  | Rice              | Wheat | Grand Total |
| As on                          |                   |        |        |                   |       |             |
| 1st April                      | 115.80            | 44.60  | 160.40 | 20.00             | 30.00 | 210.40      |
| 1st July                       | 115.40            | 245.80 | 361.20 | 20.00             | 30.00 | 411.20      |
| 1st October                    | 82.50             | 175.20 | 257.70 | 20.00             | 30.00 | 307.70      |
| 1st January                    | 56.10             | 108.00 | 164.10 | 20.00             | 30.00 | 214.10      |
| Buffer Norms w.e.f. 01.07.2017 |                   |        |        |                   |       |             |

### Final Procurement RMS 2019-20

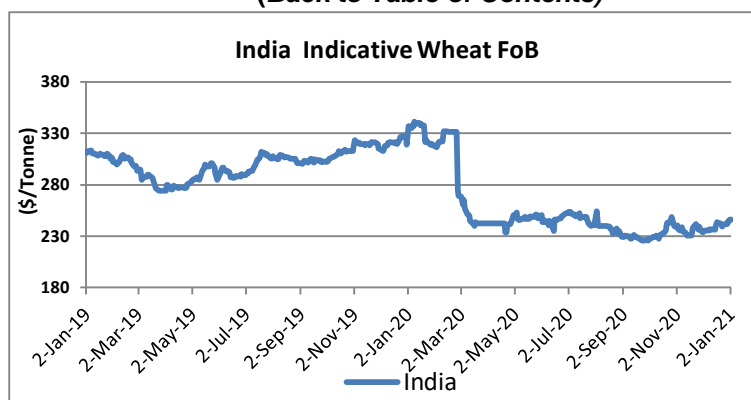
| State/UTs      | Procurement as of Oct-2020 (Figures in LMT) |                  |             |
|----------------|---|------------------|-------------|
|                | FCI (A)                                     | State Agency (B) | Total (A+B) |
| Punjab         | 14.20                                       | 112.94           | 127.14      |
| Haryana        | 6.69  | 67.31            | 74.00       |
| Uttar Pradesh  | 1.34  | 34.43            | 35.77       |
| Madhya Pradesh | 0.00  | 129.42           | 129.42      |
| Bihar          | 0.00  | 0.05             | 0.05        |
| Rajasthan      | 16.29                                       | 5.96             | 22.25       |
| Others         | 0.14  | 1.15             | 0.91        |
| All-India      | 38.66                                       | 351.26           | 389.92      |

### FOB Quote for Wheat at Kandla

The wheat FoB quote in India noticed a steady tone in the past week. The overall condition for Indian wheat export remains favorable, and exports continue from India.

Wheat FoB quotes for Kandla are likely to witness steady to firm tone in the coming weeks and likely to hover in the range of \$235-\$255 per tonne. Furthermore, 1.5 lakh tonnes of Wheat will get exported from Gujarat port in two months, and around 90 thousand tonnes of Wheat will get shipped in January. Wheat export prices to be highest after 2014. Such situations will increase export trade this year instead of south demand. Wheat exports are at a recent price close to \$260, with an estimated increase of \$10 by February 15.

[\(Back to Table of Contents\)](#)



### Indicative FOB Quotes:

| Wheat FOB     | Variety | Today     | Week Ago  | Month Ago | Year Ago  | % Change over Prev. Year |
|---------------|---------|-----------|-----------|-----------|-----------|--------------------------|
|               |         | 31-Dec-20 | 21-Dec-20 | 2-Dec-20  | 31-Dec-19 |                          |
| USA (Chicago) | 2srw    | 280.00    | 276.00    | 0.00      | 253.05    | 10.65                    |
| France        | FCW3    | 260.00    | 260.13    | 250.52    | 206.17    | 26.11                    |
| Australia     | ASW     | 241.01    | 238.64    | 216.81    | 235.17    | 2.48                     |
| Russia        | SRW     | 259.00    | 258.00    | 255.00    | 212.00    | 22.17                    |
| India         | Fob     | 245.00    | 242.30    | 234.22    | 319.12    | -23.23                   |

### International Weekly Outlook:

Australia 75% harvested, crop expectations ~30+ MMT, some elevators sold till the end of the season. In Argentina, yields are very poor, and the crop could reach just 16.2-16.5 MMT. Russian weather is unattractive, 22% of planted wheat is in poor condition - crop 21/22 expectations now ~78 MMT (even though area increased). Egypt held a tender; they were trying to catch a gap between the previous tender and Feb 15 (Russian quota and duty), but Russian sellers included the duty to prices, and so became uncompetitive- Egypt bought Ukrainian and Romanian cargoes. The International Wheat market remains bullish in coming weeks.

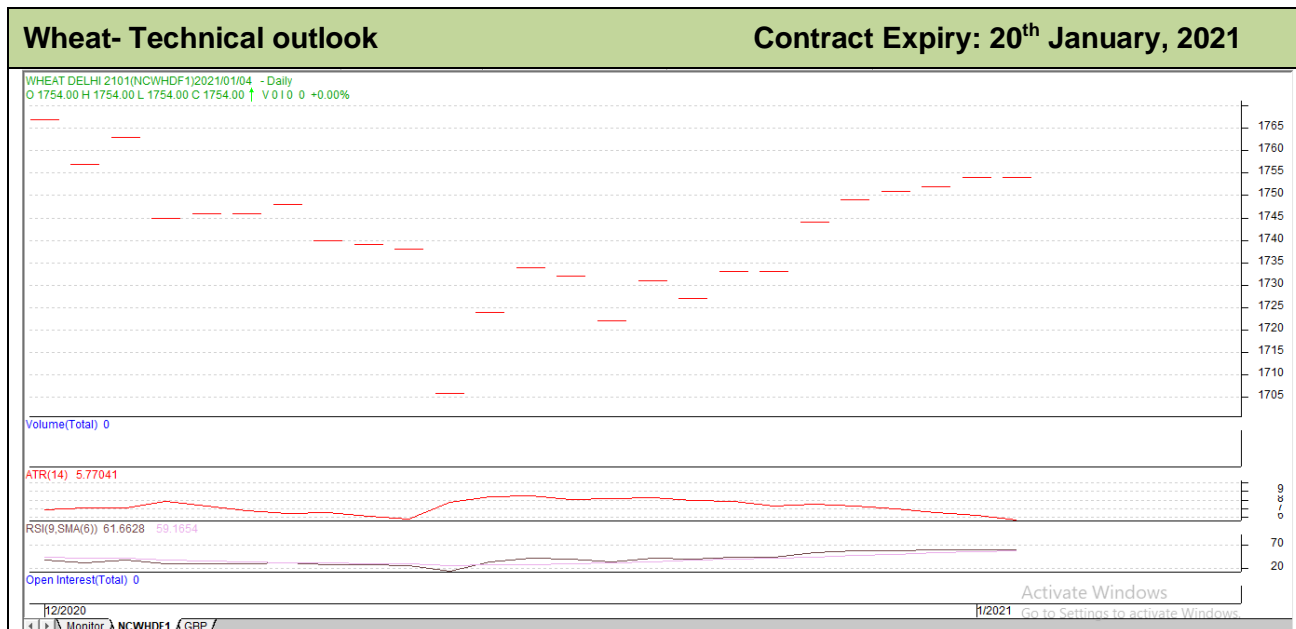
|   | 30/12/2020 | 25/12/2020 | 18/12/2020 | 11/12/2020 |
|---|------------|------------|------------|------------|
| Black Sea Mill Wheat 12.5% FOB Pmax. (\$/T) | 257        | 257        | 254        | 252.5      |
| Black Sea Mill Wheat 11.5% FOB Pmax. (\$/T) | 257        | 257        | 254        | 252.5      |

### NCDEX Wheat Contracts

| Wheat Futures Contract: NCDEX Price |     |      |      |     |       |        |                          | Date: 04.12.2020 |                          |
|-------------------------------------|-----|------|------|-----|-------|--------|--------------------------|------------------|--------------------------|
| Contract Month                      | +/- | Open | High | Low | Close | Volume | Change From previous day | Open Interest    | Change From previous day |
| 21-Jan                              |     | -    | -    | -   | 1754  | -      | -                        | -                | -                        |
| 21-Feb                              |     | -    | -    | -   | 1759  | -      | -                        | -                | -                        |
| 21-Mar                              |     | -    | -    | -   | 1764  | -      | -                        | -                | -                        |

### Wheat Technical Analysis:

([Back to Table of Contents](#))



### Technical Commentary:

- Increase in price denotes wait interest in the market.
- RSI is increasing in neutral region.
- Prices closed below 9 and 18 Day EMAs.

### Strategy: Stay away.

| Intraday Supports & Resistances |       |     | S1   | S2    | PCP | R1 | R2 |
|---------------------------------|-------|-----|------|-------|-----|----|----|
| Wheat                           | NCDEX | Jan | -    | -     | -   | -  | -  |
| Pre-Market Intraday Trade Call* |       |     | Call | Entry | T1  | T2 | SL |
| Wheat                           | NCDEX | Jan | WAIT | 1754  | -   | -  | -  |

\*Do not carry forward the position until the next day.

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

### Spot Price at NCDEX Delivery Centers:

| Spot prices of wheat at NCDEX Delivery centers |           |           |           |           |                          |
|--|-----------|-----------|-----------|-----------|--------------------------|
| NCDEX SPOT                                     | Today     | Week Ago  | Month Ago | Year Ago  | % Change over prev. Year |
|  | 31-Dec-20 | 24-Dec-20 | 2-Dec-20  | 31-Dec-19 |                          |
| Indore   | 1673      | 1642      | 1675      | 2275      | -26.46                   |
| Bareilly                                       | NA        | NA        | 0         | 0         | -                        |
| Delhi  | 1826      | 1819      | 1814      | 2340      | -21.97                   |
| Khanna   | NA        | NA        | 0         | 0         | -                        |
| Kanpur   | 1600      | 1600      | 1590      | 2160      | -25.93                   |
| Karnal   | NA        | NA        | 0         | 0         | -                        |
| Rajkot   | 1751      | 1728      | 1677      | 2290      | -23.54                   |
| Kota   | 1757      | 1740      | 1757      | 2194      | -19.92                   |

**Domestic Market Weekly Outlook:**
[\(Back to Table of Contents\)](#)

The wheat market is expected to show a steady to firm tone after the free distribution of wheat scheme ended in November and high demand from export will give support to prices in domestic market.

| Spot Market Price: |                    |                     |                 |           |           |           |          |
|--------------------|--------------------|---------------------|-----------------|-----------|-----------|-----------|----------|
| Centre             | Market             | Variety             | Prices (Rs/Qtl) |           |           |           |          |
|                    |                    |                     | Today           | Yesterday | Week Ago  | Month Ago | Year Ago |
|                    |                    |                     | 2-Jan-21        | 1-Jan-21  | 26-Dec-20 | 4-Dec-20  | 3-Jan-20 |
| Delhi              | Lawrence Road      | Mill Delivery       | 1840            | 1850      | 1820      | 1790      | 2355     |
|                    | Narella            | Mill Quality Loose  | 1720            | 1720      | 1730      | 1700      | 2250     |
|                    | Nazafgarh          | Mill Quality Loose  | 1700            | 1700      | 1710      | 1700      | 2240     |
| Gujarat            | Rajkot             | Mill Delivery       | 1735            | 1735      | 1710      | 1670      | 2340     |
|                    | Ahmedabad          | Mill Delivery       | 1810            | 1810      | 1750-55   | 1730      | 2390     |
|                    | Surat              | Mill Delivery       | 1875            | 1875      | 1805-10   | 1780      | 2450     |
|                    | Dhrol              | Mill Delivery       | NR              | 1640      | NR        | 1600      | 2550     |
| M.P.               | Indore             | Mill Delivery       | 1640            | 1640      | 1660      | 1725      | 2400     |
|                    | Bhopal             | Mill Quality Loose  | 1615            | 1600      | 1550      | 1600      | 2200     |
| Rajasthan          | Kota               | Mill Quality Loose  | 1630            | 1625      | 1580      | 1615      | 2190     |
|                    |                    | Mill Delivery       | 1770            | 1775      | 1700      | 1740      | 2300     |
| U.P.               | Kanpur             | Mill Delivery       | 1670            | 1660      | 1640      | 1580      | 2180     |
|                    | Mathura            | Mill Quality Loose  | 1625            | 1620      | 1600      | 1590      | NA       |
|                    | Kosi               | Mill Quality Loose  | 1630            | 1640      | 1600      | 1600      | 2200     |
|                    | Hathras            | Mill Quality Loose  | 1610            | 1590      | 1600      | 1600      | 2250     |
|                    | Aligarh            | Mill Quality Loose  | 1630            | 1620      | 1590      | 1590      | 2100     |
| Punjab             | Khanna             | Mill Quality Loose  | 1600            | 1600      | Closed    | 1650      | 2120     |
|                    | Ludhiana (Jagraon) | Mill Delivery       | NA              | NA        | NA        | 0         | 0        |
| Haryana            | Sirsa              | Mill Delivery loose | 1750            | 1750      | 1750      | 1750      | 2170     |
|                    | Hodal              | Mill Delivery       | NA              | NA        | NA        | 0         | 0        |
|                    | Bhiwani            | Mill Quality Loose  | 1750            | 1750      | 1750      | 1720      | 2225     |
|                    | Karnal             | Mill Delivery       | NA              | NA        | NA        | 0         | 0        |
|                    | Panipat            | Mill Quality Loose  | NA              | NA        | NA        | 0         | 0        |
| Tamil Nadu         | Chennai            | Mill Quality        | 1980            | 1980      | 2000      | 2000      | 2500     |
|                    | Madurai            | Mill Quality        | 2037            | 2080      | 2200      | 2200      | 2600     |





|       |             |               |      |      |      |      |      |
|-------|-------------|---------------|------|------|------|------|------|
|       | Coimbatore  | Mill Quality  | 2037 | 2130 | 2250 | 2250 | 2650 |
| Bihar | Khagariya   | Mill Delivery | 1880 | 1880 | 1900 | 1900 | 2250 |
|       | Muzaffarpur | Mill Delivery | 1670 | 1670 | 1675 | 1625 | 2150 |

Current Sowing Status 2020-21:

[\(Back to Table of Contents\)](#)

| State Wise Wheat Sowing in Lakh Hectares |                    |        |        |        |                        |
|--|--------------------|--------|--------|--------|------------------------|
| State                                    | Normal area (2021) | 2019   | 2020   | 2021   | % Change 2021 vs. 2020 |
| Bihar                                    | 21.25              | 20.85  | 17.54  | 19.87  | 13.28                  |
| Chhattisgarh                             | 1.05               | 1.35   | 1.19   | 1.6    | 34.45                  |
| Gujarat                                  | 9.62               | 8.07   | 12.31  | 12.73  | 3.41                   |
| Haryana                                  | 25.45              | 25.16  | 24.66  | 25.15  | 1.99                   |
| Himachal Pradesh                         | 3.31               | 3.5    | 3.4    | 3.4    | 0.00                   |
| J&K                                      | 2.95               | 2.44   | 1.98   | 2.45   | 23.74                  |
| Jharkhand                                | 1.84               | 1.87   | 1.67   | 2.11   | 26.35                  |
| Karnataka                                | 1.76               | 1.5    | 1.97   | 1.69   | -14.21                 |
| Madhya Pradesh                           | 57.55              | 60     | 75.05  | 85.37  | 13.75                  |
| Maharashtra                              | 10.21              | 5.69   | 7.64   | 9.23   | 20.81                  |
| Punjab                                   | 35.08              | 35.02  | 35.01  | 35     | -0.03                  |
| Rajasthan                                | 29.89              | 28.25  | 31.73  | 28.86  | -9.05                  |
| Uttar Pradesh                            | 97.87              | 99.13  | 94.61  | 92.52  | -2.21                  |
| Uttarakhand                              | 3.38               | 3.45   | 3.24   | 3.25   | 0.31                   |
| West Bengal                              | 2.45               | 1.05   | 1.8    | 1.91   | 6.11                   |
| Others                                   | 0.35               | NA.23  | 0.08   | 0.08   | 0.00                   |
| All-India                                | 303.27             | 299.68 | 313.95 | 325.35 | 3.63                   |

Source: Ministry of Agriculture  
As on 31-12-2020





### International Market Update:

[\(Back to Table of Contents\)](#)

In the **US**, This week's commercial sales of 540,000 metric tons (MT) for delivery in 2020/21 were down 12% from last week's 616,000 MT but within trade expectations of 250,00 MT to 650,000 MT. Year-to-date commercial sales now total 19.6 million metric tons (MMT), 10% ahead of last year's pace. USDA forecasts total U.S. wheat exports will reach 26.8 MMT in 2020/21, 2% ahead of last year, if realized.

USDA forecasts total global wheat consumption in 2020/21 will jump to a record 758 MMT, 1% more than last year and 4% more than the 5-year average on higher feed and residual use in China, Australia and the European Union. December's world wheat ending stocks estimate fell commensurately to 316 MMT, still 5% more than last year and 14% more than the 5 -year average on significantly larger harvests in Canada, Russia and Australia.

CBOT soft red winter (SRW) futures lost 6 cents to close at \$6.08/bu. KCBT hard red winter (HRW) futures fell 12 cents to end at \$5.69/bu. MGE hard red spring (HRS) futures lost 1 cent to close at \$5.68/bu.

The U.S. sold 393,700 tonnes of 2020/2021 wheat for export in the week ending December 17, down 27 percent from the previous week and 34 percent from the prior 4-week average. Russia will more than double its output of durum wheat, used in pasta and couscous production, to 1.8 million tonnes by 2025, its agriculture ministry said.

**China** USDA forecasts China will import 13.0 MMT of corn from all suppliers in 2020/21, nearly double last month's estimate of 7.0 MMT and last year's volume of 7.60 MMT. Increased corn exports to China could continue to limit U.S. export elevation capacity for all agricultural commodities out of the PNW and Gulf.

**Ukraine** As of Dec. 16, total Ukrainian grain exports are down 14% from this time last year at 23.8 MMT. 12.2 MMT of which is wheat. In October, Ukraine implemented a 17.5 MMT wheat export quota for the 2020/21 marketing year and current sales account for 70% of the quota.

**Australia** Argentine wheat harvest was pegged at 53.5pc complete late last week by Bolsa, the Argentine Agricultural Exchange, reporting slightly better yields in recently cut areas but still predicting an overall crop under 17Mt in their estimate.

**Russia** According to AgriCensus, the Russian government has officially imposed a €25.0/MT (\$30.6/MT) tax on all wheat exports from Feb. 15 to June 30, 2021 in an effort to stabilize domestic food prices. Russia will export 40.0 MMT of wheat in 2020/21, 16% more than last year and 21% more than the 5-year average.

**France** FranceAgriMer, France's agriculture office, reported the country's winter wheat farmers made considerable progress last week, 66% of France's soft (non-durum) wheat is now in the ground, up from last week's 45% and in line with the five-year average.

**Argentina** The Rosario Board of Trade (BCR) forecasts total Argentinian wheat production will fall 15% on the year to 16.5 MMT, the second lowest output in a decade on extreme drought. The Buenos Aires Grain Exchange (BAGE) predicts production will total 16.9 MMT and USDA pegs the 2020/21 harvest at 18.0 MMT.

**Europe** Stratégie Grains, a French agriculture consultancy, forecasts European Union (EU) soft (non-durum) wheat production will reach 130 MMT in 2021, 9% more than last year on improved planting conditions through fall 2020. The United Kingdom (UK), not included in the EU forecast, is expected to produce 15.0 MMT of soft wheat next year.

The U.S. Dollar Index fell from last week's 90.98 to close at 90.02.

IGC Wheat Balance Sheet:
[\(Back to Table of Contents\)](#)

| IGC Forecast (Fig-In MMT) | 2017-18 | 2018-19 | 2019-20 est. | 2019-20 (Forecast) |            |
|---------------------------|---------|---------|--------------|--------------------|------------|
|                           |         |         |              | 29.10.2020         | 26.11.2020 |
| <b>Production</b>         | 762     | 733     | 763          | 764                | 765        |
| <b>Trade</b>              | 176     | 169     | 184          | 185                | 186        |
| <b>Consumptions</b>       | 739     | 739     | 746          | 751                | 752        |
| <b>Carryover stocks</b>   | 271     | 265     | 279          | 291                | 292        |
| <b>Y-O-Y change</b>       | 22      | -7      | 17           | -                  | 13         |
| <b>Major Export</b>       | 83      | 70      | 64           | 61                 | 61         |

- IGC has estimated global wheat production at 765 MMT for 2019-20, 1 MMT higher compared to last month's estimate. According to estimates by IGC the 2018-19 global wheat production was around 733 MMT and 762 MMT for 2017-18.
- The trade estimates for 2019-20 has increased to 186 MMT. It is 17 MMT higher compared to the estimate for last year and higher by 10 MMT compared to 2017-18.
- Consumption has been increased to 752 MMT for 2019-20. The forecast is higher by 13 MMT compared to 2018-19.
- Carryout for 2019-20 is forecast at 292 MMT compared to an estimate of 265 MMT last year. It is higher by around 27 MMT compared to 2016-17.

CBOT FUTURES CONTRACT:

| CBOT Futures Prices:(USD/T) |          |           |           |             |             |          |                          |
|-----------------------------|----------|-----------|-----------|-------------|-------------|----------|--------------------------|
| CONTRACT MONTH              | Today    | Week Ago  | Month Ago | 3 Month Ago | 6 Month Ago | Year Ago | % Change over prev. year |
|                             | 1-Jan-21 | 25-Dec-20 | 2-Dec-20  | 25-Sep-20   | 3-Jul-20    | 2-Jan-20 |                          |
| <b>Mar-21</b>               | 234.95   | 229.90    | 180.39    | 206.39      | 183.61      | 206.94   | <b>13.54</b>             |
| <b>May-21</b>               | 230.82   | 226.23    | 183.61    | 204.27      | 186.46      | 207.58   | <b>11.19</b>             |
| <b>Jul-21</b>               | 231.55   | 226.96    | 186.36    | 206.39      | 188.29      | 209.79   | <b>10.38</b>             |
| <b>Sep-21</b>               | 233.94   | 229.53    | 188.38    | 210.06      | 188.75      | 193.16   | <b>21.11</b>             |
| <b>Dec-21</b>               | 236.05   | 231.55    | 189.95    | 212.82      | 191.51      | 196.65   | <b>20.04</b>             |
| <b>Mar-22</b>               | 233.39   | 231.55    | 192.52    | 212.82      | 212.45      | 198.86   | <b>17.37</b>             |

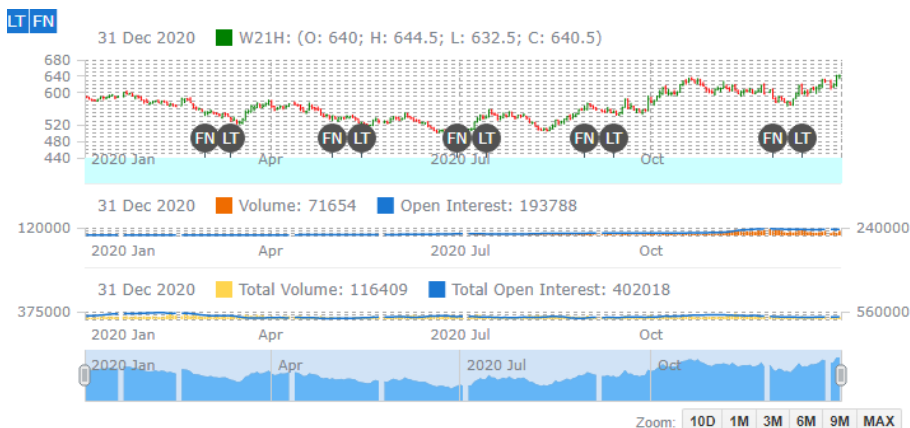
**CBOT Mar-21**

**(Back to Table of Contents)**

**1<sup>st</sup> Support: 633.83**  
**2<sup>nd</sup> Support: 627.17**  
**1<sup>st</sup> Resistance: 645.83**  
**2<sup>nd</sup> Resistance: 651.17**  
**(\$ per tonne)**

CBOT March soft red winter wheat settled up 12-3/4 cents at \$6.29-3/4 per bushel. Increasing demand in major consuming countries and imposed limits by exporting countries may keep wheat prices firm in the coming weeks. Russia has been applying export tax of \$ 30.40 per ton

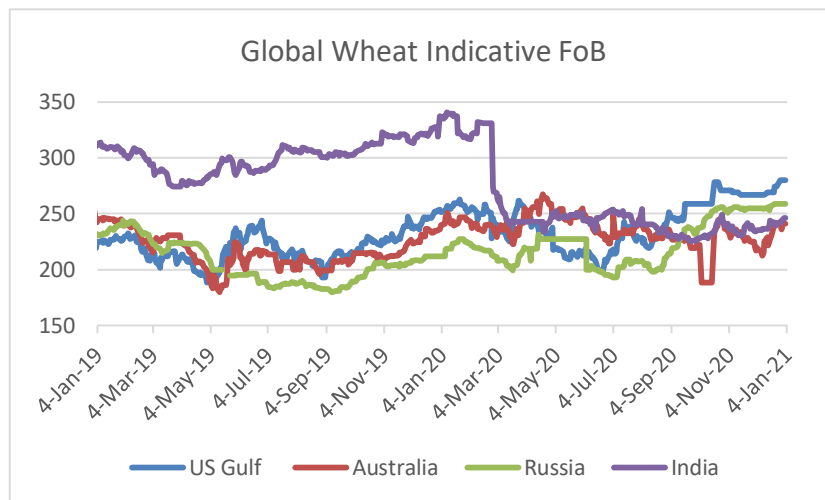
on wheat exports since February 15. The chart indicates that the uptrend could continue for a few weeks. Apart from this, continued dry conditions and unfavorable weather have impacted yield in major exporting countries like Russia, Australia, and. It remains supportive of the global wheat market in the near term.


**International FOB Weekly Price Movement**

Indian FoB quote is based on local prices. Indian FoB quote is being quoted at \$244.02 per tonne. US and Russian quotes are hovering in the range of \$280.20 and \$259.75 per tonne.

There is a lot of demand for wheat in the international market, and prices are up. The recent price in China is \$350 per tonne, and India's wheat export price is low. Russia has been applying an export tax of \$30.40 per tonne on wheat exports since February 15, due to which the Indian wheat demand will also increase.

There is a widespread export demand for Indian wheat recently. By the end of this January, if exports are taken into consideration, then the export of 1 MMT of wheat will be done this year. After March, the new season will start, then there is a possibility of exporting about 2 MMT of wheat, most of which is expected from Gujarat.



**Disclaimer:** The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/disclaimer.php> © 2020 Indian Agribusiness Systems Ltd.