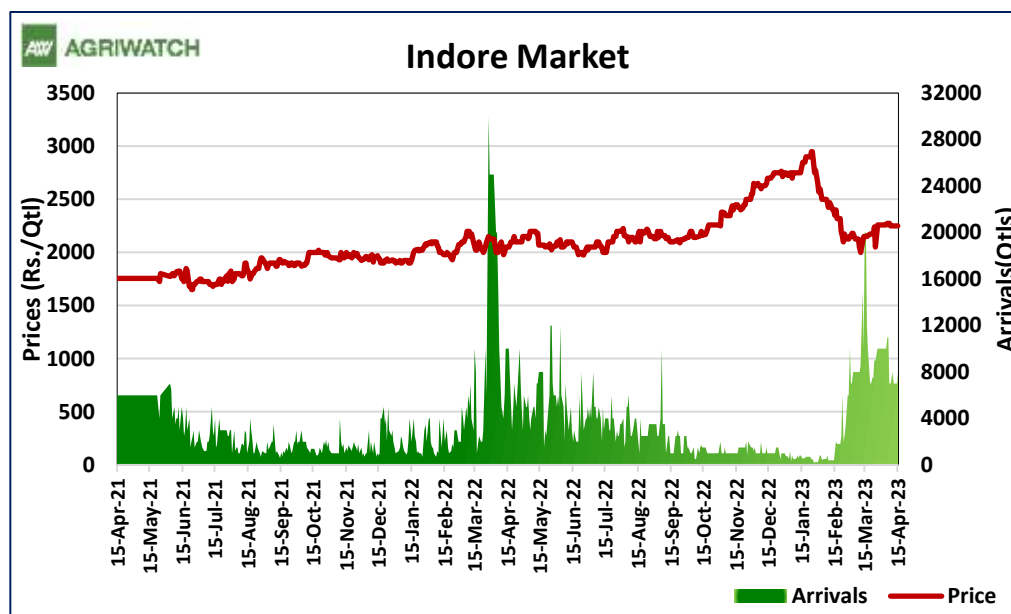


Wheat Weekly Research Report

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Wheat Domestic Market Fundamentals
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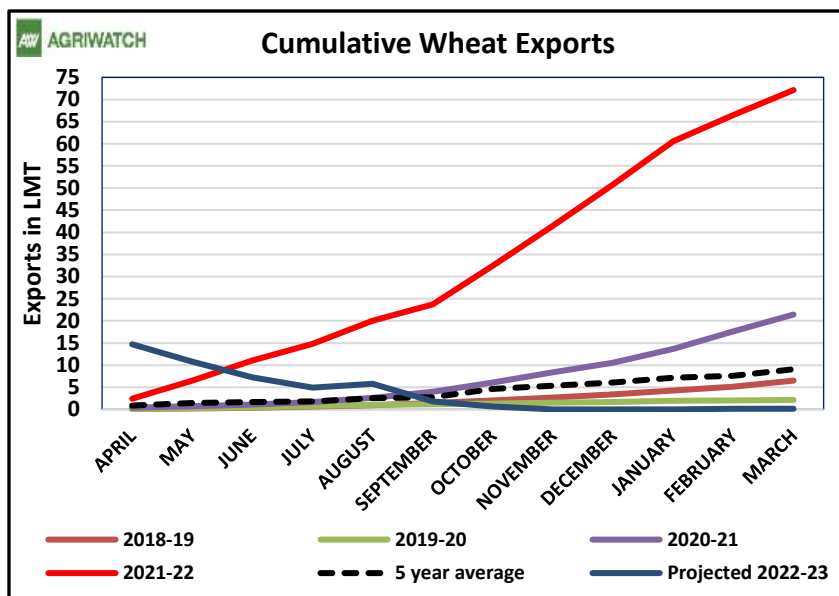
- Arrival pressure in all the major markets pressurized the domestic prices down. In Indore market prices were down by Rs.25 per quintals and traded at Rs.2150 per quintals during week under review.
- As of April 13th, 2023, the total amount of wheat procurement has reached 25.40 LMT, which is significantly higher compared to the same period last year. Most of the contribution came from Madhya Pradesh, with Haryana and Uttar Pradesh following closely behind.
- AgriWatch has revised its estimate for wheat production to 102.90 million metric tons, which is lower than its earlier projection of 104.24 million metric tons. The decrease in production is attributed to adverse weather conditions such as unseasonal rain and hailstorms.

Outlook:

In the upcoming week, prices are expected to stay steady or slightly increase due to a strong pace of procurement this year. While on the other hand, arrival pressure is likely to keep prices in the range of Rs.2100-2200 per quintals. On a global level, weather conditions will remain a main factor for fluctuations of global prices.

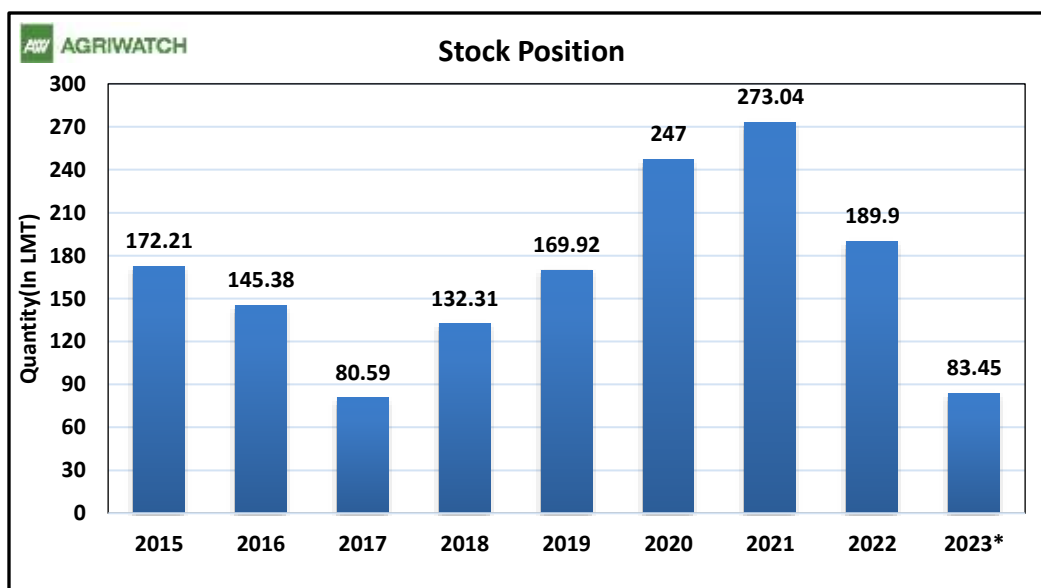
Export:

Trade sources have reported that the total amount of wheat exported in March is approximately 0.17 LMT, with the majority of the exports going to Nepal. This brings the total wheat exports to 46.32 LMT, which is a 35.78% decrease compared to the same period last year when the total was 72.13 LMT.



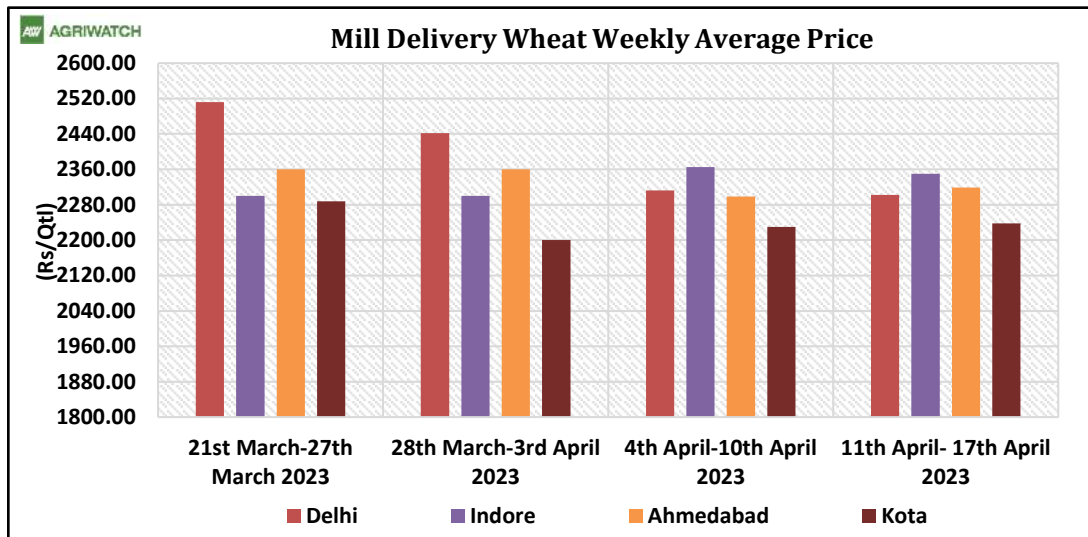
Trade Call: There is no NCDEX trading currently.

Central Pool Stock Position:



*Till April 1st, 2023

As depicted from the above chart, the Central Pool Wheat stock was recorded at 83.45 LMT as of April 1st-2023, which is the lowest since 2017 during the same time. However, it remains higher than the buffer norms of 74.60 LMT as of 1st April, up by 11.86%. Last time the lowest level was seen in 2017 at 80.59 LMT. As of 1st Apr. 2023, most of the stocks are being held in states of M.P (52.72 LMT).



Source: Agriwatch

Good quality arrivals in market keeps the prices on higher side in Kota and Ahmedabad market while on the other hand increase in arrivals keep prices on downside in Delhi and Indore.

Spot Price at NCDEX Delivery Centers:

Spot prices of wheat at NCDEX Delivery Centres						
NCDEX SPOT	Current Week	Week Ago,	Month Ago,	Year Ago,	% Change over prev. Year	% Change over prev. Week
	15-Apr-23	8-Apr-23	16-Mar-23	16-Apr-22		
Indore	2201	-	2179	2135	3.09	-
Delhi	2277	2304	2457	2210	3.03	-1.17
Kanpur	2200	2175	2350	2070	6.28	1.15
Rajkot	2310	-	2250	2300	0.43	-
Kota	2275	2288	2400	2200	3.41	-0.57

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

Spot Market Price:							
Centre	Market	Variety	Prices (Rs/Qtl)				
			Current	Previous	Week Ago	Month Ago	Year Ago
			15-Apr-23	14-Apr-23	8-Apr-23	16-Mar-23	16-Apr-22
Delhi	Lawrence Road	Mill Delivery	2310	2330	2270	2450	2260
	Narella	Mill Quality	2160	2140	2125	2425	2100
	Nazafgarh	Mill Quality	2150	2150	2030	-	2070
Gujarat	Rajkot	Mill Delivery	2260	2270	2225	2225	Closed
	Ahmedabad	Mill Delivery	2300	2300	2300	2300	Closed
	Surat	Mill Delivery	2360	2370	2370	2350	Closed
	Dhrol	Mill Delivery	2520	2320	2820	-	Closed
M.P.	Indore	Mill Delivery	2350	Closed	2350	2250	Closed
	Bhopal	Mill Quality	2280	2300	Closed	2150	Closed
Rajasthan	Kota	Mill Quality	2125	2050	2100	2050	2100

		Mill Delivery	2275	2150	2250	2150	2250
U.P.	Kanpur	Mill Delivery	2170	2175	2175	2300	2120
	Mathura	Mill Quality	2100	2100	2050	2425	2070
	Kosi	Mill Quality	2030	2050	1980	2350	2080
	Hathras	Mill Quality	2150	2150	2070	2500	2100
	Aligarh	Mill Quality	2080	2110	2025	2400	2040
Punjab	Khanna	Mill Quality	2125	2125	2140	2130	2020
	Ludhiana (Jagraon)	Mill Delivery	-	-	2150	2150	2120
Haryana	Sirsa	Mill Delivery	2125	2125	2150	2170	2015
	Hodal	Mill Delivery	-	-	-	-	-
	Bhiwani	Mill Quality	2100	Closed	2200	2325	2015
	Karnal	Mill Delivery	-	-	-	-	-
	Panipat	Mill Quality	2130	2125	2125	2400	2025
Tamil Nadu	Chennai	Mill Quality	2575	2575	2550	3100	2500
	Madurai	Mill Quality	2632	2675	2600	3200	2650
	Coimbatore	Mill Quality	2632	2725	2650	3250	2700
Bihar	Khagariya	Mill Delivery	2300	2300	2150	2300	2050
	Muzaffarpur	Mill Delivery	2100	2100	2080	2250	2050

FOB & CIF Quote for Wheat at Kandla

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Particulars	At Kandla
Mill delivery (Rajkot)	22500
Freight charge	550
Misc. Charges (port handling)	650
FOB (at Kandla Rs/T)	23700
FOB value in \$ for FAQ	290.12
Freight Charges (US \$/ton) to Dubai	42
Insurance @ 0.1% (\$/MT)	0.29
CIF to Dubai (value in \$ for SRW)	332.12

(INR value: 81.85 as on 14.04.2023)

International Market Update:

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- According to the latest WASDE report, the global wheat outlook for 2022-23 indicates **increased** supplies and higher consumption, but reduced trade and stocks. The supply of wheat is expected to increase by 0.7 MMT, reaching 1061.1 MMT, mainly due to higher beginning stocks in Syria and increased production in Ethiopia. Consumption is also expected to rise by 2.9 MMT, reaching 796.10 MMT, driven by high food, residual, and feed use in India and increased feed and residual use in China and the EU.
- However, exports are expected to decrease by 1.2 MMT, totalling 212.70 MMT, due to **lower exports** from the EU, Argentina, and Brazil. Meanwhile, higher exports are anticipated from Russia and Ukraine. China is expected to be the largest importer of wheat in 2022/23,

with an import of 12 MMT, particularly from Australia. The ending stocks are projected to be lower by 2 MMT, totalling 265.10 MMT globally, the lowest since 2015/16.

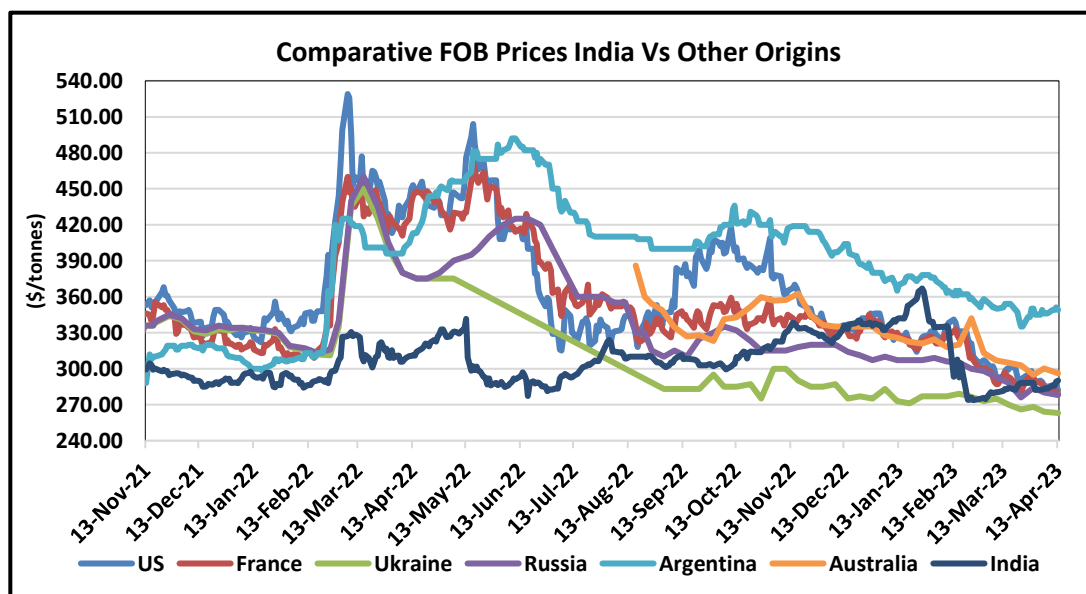
- **Wheat planting has a good start in Australia with better-than-expected rains which improve soil moisture.** Rains in NSW and Victoria states during last two weeks have boosted the soil moisture and likely to be there till May.
- **As per recent update by USDA during the week ended 6/4/23 around 3,35,444 MT Wheat** had been exported so far which is up from 1,68,000 MT in previous week.

International Weekly Outlook:

Good moisture conditions have increased hope for good Winter Wheat in Australia leading to competitive export prices from Australia. However, unfavorable weather concerns in Argentina as drought persists have kept export prices up.

Indicative FOB Quotes:							
Wheat FOB	Variety	Current Week	Week Ago	Month Ago	Year Ago	% Change over Prev. Year	% Change over Prev. Week
		13-Apr-23	5-Apr-23	16-Mar-23	15-Apr-22		
USA (Chicago)	2srw	282	286	299	447	-36.91	-1.40
France	FCW3	279	285	293	448	-37.72	-2.11
Argentina	ASW	349	346	354	413	-15.50	0.87
Russia	SRW	278	280	288	375	-25.87	-0.71
India	FAQ	290	283	284	314	-7.58	2.49
Australia	ASW	296	300	305	-	-	-1.34
Ukraine	SRW	263	264	270	375	-29.87	-0.38

International FOB Weekly Price Movement



Export prices of India were on slightly higher side as compared to previous week due to increase in domestic prices during week under review.

IGC Wheat Global Balance Sheet:
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IGC Forecast (Fig-In MMT)	2019-20	2020-21	2021-22 est.	2022-23 F'cast	
				16.02.23	16.03.23
Production	761	774	781	796	801
Trade	185	190	197	197	199
Consumptions	745	771	784	789	789
Carryover stocks	276	279	274	282	286
Y-O-Y change	16	3	-3	7	12
Major Export	62	60	58	64	67

Source: IGC

- IGC has up the projected 2022-23 global wheat production at 801 MMT.
- The trade projection for 2022-23 is 199 MMT in line with increased production numbers.
- Consumption is kept same as in previous estimate of 789 MMT.
- Carryout for 2022-23 is projected at 286 MMT up by 1 MMT as compared to previous estimate.

CBOT FUTURES CONTRACT:

CBOT Futures Prices:(USD/T)							
CONTRACT MONTH	Current Week	Week Ago	Month Ago	3 Month Ago	6 Month Ago	Year Ago	% Change over prev. week
	14-Apr-23	6-Apr-23	14-Mar-23	11-Jan-23	12-Oct-22	14-Apr-22	
May-23	250.75	248.18	255.80	274.91	333.32	393.67	1.04
Jul-23	254.42	252.77	259.66	276.38	330.48	369.15	0.65
Sep-23	257.91	257.46	263.61	279.32	329.74	364.55	0.18
Dec-23	263.70	264.34	269.30	284.28	330.66	-	-0.24
Mar-24	267.28	268.57	273.35	287.31	329.19	-	-0.48
May-24	268.02	269.76	274.63	287.58	-	-	-0.65
Jul-24	262.69	264.07	268.20	281.06	-	-	-0.52
Sep-24	263.52	-	-	-	-	-	-

Source: MRCI

Technical Analysis (International market)

US Wheat Futures May -23



1st Support: 655
2nd Support: 702



1st Resistance: 799

2nd Resistance: 904 (\$ per tonne)

US wheat futures May23 were down by 1.40% to 685, during the week made low at 661.30, high at 687.30. Market is currently trading below 9, 18, 50 and 100 DMA. Indicator MACD and Oscillator is indicating steady momentum. We expect prices to trade with firm bias in coming weeks.

Technical Analysis (Domestic market)

Wheat-Technical Outlook:

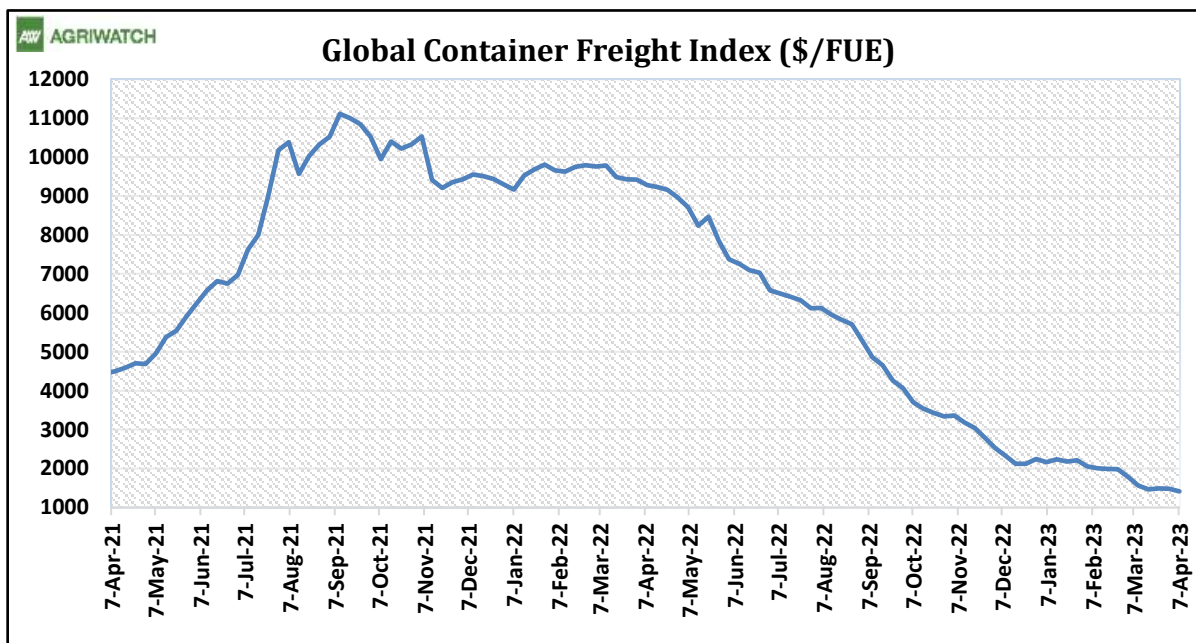
Kanpur Market Prices

Technical Chart:



Technical Commentary:

- Wheat Kanpur prices up from previous week and make high at 2283, low at 2263 and closes at 2277.
- Market is currently trading below 9, 50 and 18 EMA, taking support from 100 EMA.
- 2167 is near term support and 2400 would be resistance.

Container Freight Index


There has been a 4.39% reduction in global freight charges, with the cost per foot unit equivalent dropping to \$1416 compared to the previous week. However, the decrease in shipment volumes, as evidenced by full ships, has resulted in a deceleration of the rate of decline.

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