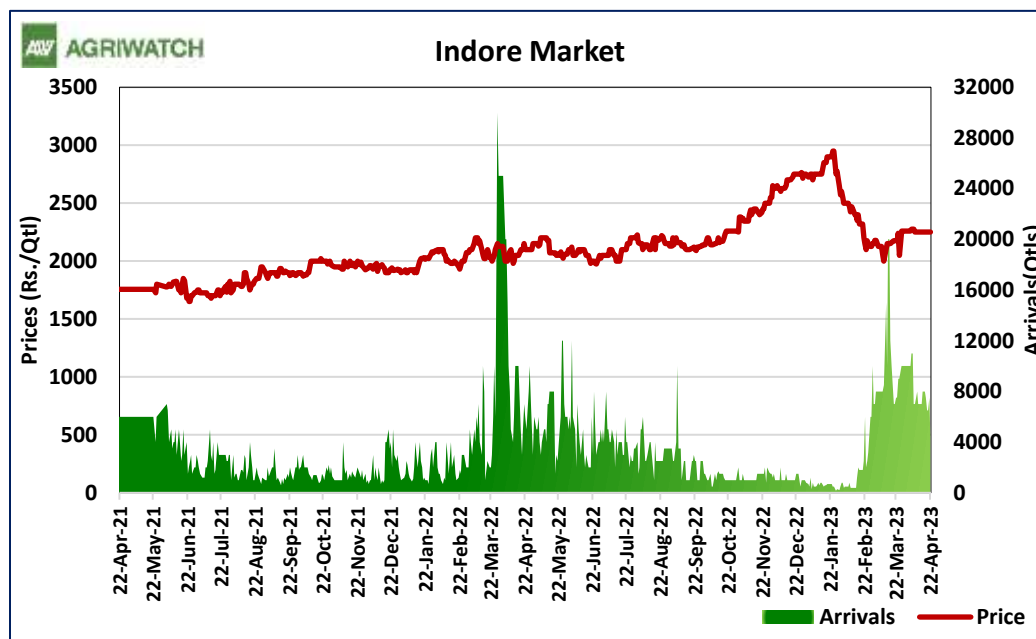


Wheat Weekly Research Report

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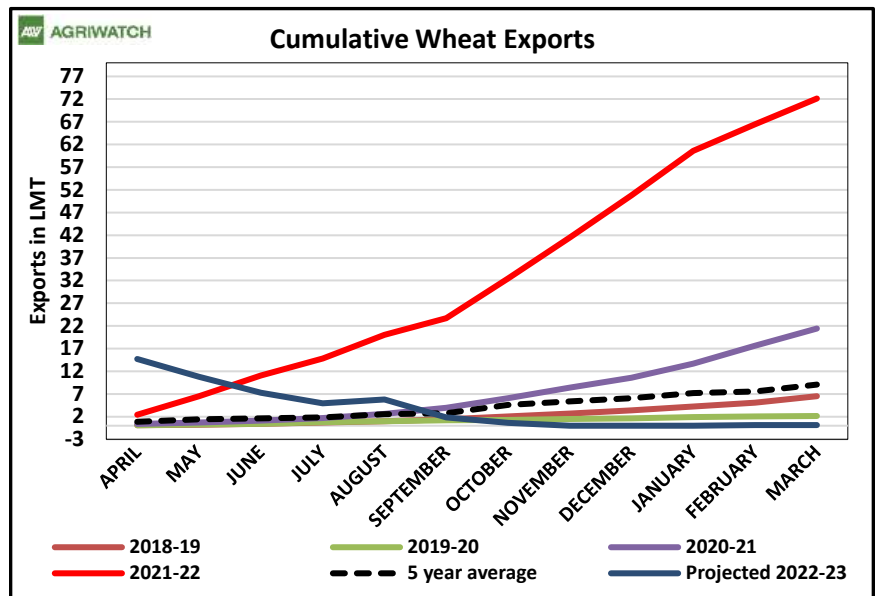
- Throughout the previous week, major cash markets for wheat exhibited sideways movement. The arrival of new crop has commenced in all states, with 25,000 quintals of wheat arriving in Punjab within a single trading day. Price remained unchanged in Indore market due to ongoing procurement, and was trading at Rs.2250 per quintal, consistent with the previous week's level.
- As of April 20th, 2023, the total amount of wheat procurement has reached 124.55 LMT, which is significantly higher by 13.45% as compared to the same period last year. Most of the contribution came from Punjab with 46.79 LMT, then Haryana with 42.10 LMT followed by M.P with 34.86 LMT.
- 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 take support from robust procurement drive this year. On a global level, weather conditions along with uncertainty related to extension of corridor deal will remain a main factor for fluctuations of global prices.

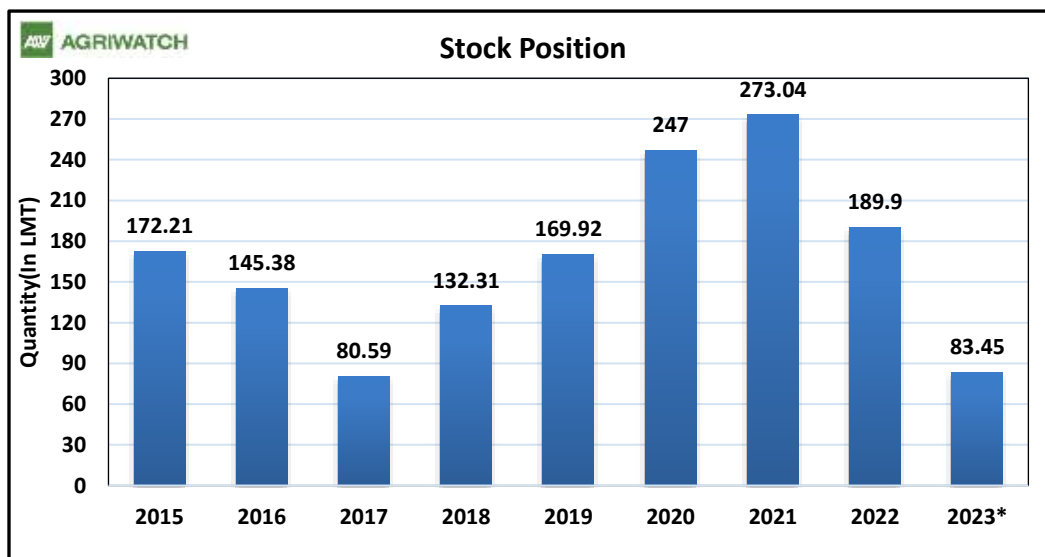
Export:

As per recent data given by Government total of 0.17 LMT wheat has been exported in February month. While as per trade sources, 0.17 LMT wheat has been exported in March month with primary recipient Nepal at a cost of \$350 per tonnes. With these total exports reached 46.31 LMT, down by 35.80% as compared to previous year.



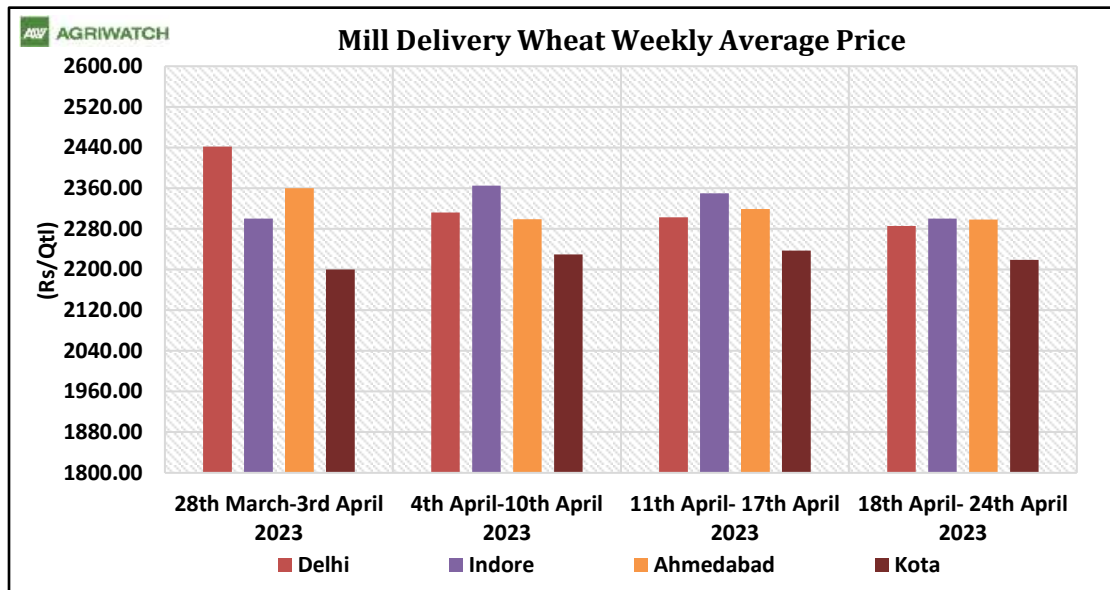
Trade Call: There is no NCDEX trading currently.

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

Arrivals pressure in all the domestic markets pressurize the mill delivery prices and were down in all the major markets.

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	% Change over Prev. Week
	21-Apr-23	13-Apr-23	22-Mar-23	22-Apr-22		
Indore	2190	2207	2200	2217	-1.22	-0.77
Delhi	2272	2275	2499	2288	-0.70	-0.13
Kanpur	2200	2200	2350	2235	-1.57	-
Rajkot	2310	2310	2325	2377	-2.82	-
Kota	2250	2250	2400	2313	-2.72	-

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

Spot Market Price:							
Centre	Market	Variety	Prices (Rs/Qtl)				
			Today	Yesterday	Week Ago	Month Ago	Year Ago
			22-Apr-23	21-Apr-23	15-Apr-23	22-Mar-23	23-Apr-22
Delhi	Lawrence Road	Mill Delivery	2300	2290	2310	2510	2300
	Narella	Mill Quality Loose	2135	2135	2160	Closed	2200
	Nazafgarh	Mill Quality Loose	2125	2130	2150	Closed	2150
Gujarat	Rajkot	Mill Delivery	2270	2275	2260	2250	2370
	Ahmedabad	Mill Delivery	2270	2280	2300	2350	2420
	Surat	Mill Delivery	2380	2380	2360	2390	2460

	Dhrol	Mill Delivery	2325	2395	2520	-	2360
M.P.	Indore	Mill Delivery	2300	2300	2350	2275	2250
	Bhopal	Mill Quality Loose	Closed	Closed	2280	2100	2075
Rajasthan	Kota	Mill Quality Loose	Closed	2050	2125	2200	2250
		Mill Delivery	Closed	2200	2275	2350	2400
U.P.	Kanpur	Mill Delivery	2220	2225	2170	2360	2150
	Mathura	Mill Quality Loose	2100	2100	2100	2425	2210
	Kosi	Mill Quality Loose	2100	2080	2030	2425	2170
	Hathras	Mill Quality Loose	2250	2150	2150	Closed	2200
	Aligarh	Mill Quality Loose	2080	2090	2080	2450	2140
Punjab	Khanna	Mill Quality Loose	2125	2125	2125	2325	2025
	Ludhiana (Jagraon)	Mill Delivery	2240	2200	-	2150	2125
Haryana	Sirsa	Mill Delivery loose	2125	2125	2125	2215	2070
	Hodal	Mill Delivery	-	-	-	-	-
	Bhiwani	Mill Quality Loose	Closed	2080	2100	2370	2100
	Karnal	Mill Delivery	-	-	-	-	-
	Panipat	Mill Quality Loose	2125	2125	2130	2450	2040
Tamil Nadu	Chennai	Mill Quality	Closed	2550	2575	2600	2500
	Madurai	Mill Quality	Closed	2700	2675	2900	2700
	Coimbatore	Mill Quality	Closed	2750	2725	2950	2750
Bihar	Khagariya	Mill Delivery	Closed	Closed	2300	2500	2200
	Muzaffarpur	Mill Delivery	2200	2200	2200	2300	2200

FOB & CIF Quote for Wheat at Kandla

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Particulars	At Kandla
Mill delivery (Rajkot)	22700
Freight charge	550
Misc. Charges (port handling)	650
FOB (at Kandla Rs/T)	23900
FOB value in \$ for FAQ	290.93
Freight Charges (US \$/ton) to Dubai	42
Insurance @ 0.1% (\$/MT)	0.29
CIF to Dubai (value in \$ for SRW)	332.93

(INR value: 82.04 as on 21.04.2023)

International Market Update:

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- **Sovecon increased Russia Wheat Production by 1.5 MMT to 86.80 MMT** due to favourable weather conditions. While it is 17% lower as compared to previous year 104.20 MMT but higher than 5-year average of 82.50 MMT.
- **StoneX expecting Brazil's Wheat production at a record 11.30 MMT higher** as compared to 11 MMT in previous year.



- **The USDA's crop progress report for the week ending on April 16th indicates that there** has been a 3% increase in the number of winter wheat crops that have headed compared to last year, with 10% of the crops having reached this stage. The report also shows that 58% of the crops are currently in good to fair condition, while 39% are in very poor to poor condition. As for spring wheat, only 3% of planting has been completed so far this year, which is lower than the 8% completed during the same period last year.
- **In February Australia had exported around 30.56 LMT wheat which was down by 6% as** compared to 32.51 LMT shipped in previous month, as per latest data given by Australia Bureau of Statistics. Overall, it is up by 13% as compared to 26.95 LMT during previous year.
- **As per FranceAgriMer, Wheat crop conditions in France have improved as compared to** previous week. During current week 94% crop rated as good to excellent which was 93% in previous week.
- **Grain agency of Algeria (OAIC) had purchased up to 4.50 LMT durum Wheat likely to** be originated from Mexico and Canada. Estimate prices are expected to be in the range of \$412-\$424 per tonnes C&F and \$422-\$430 per tonnes C&F for shipment expected in May-June.

International Weekly Outlook:

Same weather conditions have kept export prices steady compared to the previous week. On the other hand, in Argentina, the state agency has increased the acreage estimate for a crop that is scheduled to be sown in the second week of May, leading to a decline in wheat export prices. Meanwhile, prices in the United States and France remained stable and unchanged from the previous week.

Indicative FOB Quotes:							
Wheat FOB	Variety	Current Week	Week Ago	Month Ago	Year Ago	% Change over Prev. Year	% Change over Prev. Week
		20-Apr-23	13-Apr-23	23-Mar-23	22-Apr-22		
USA (Chicago)	2srw	282	282	286	436	-35.32	-
France	FCW3	279	279	277	446	-37.44	-
Argentina	ASW	341	349	335	444	-23.20	-2.29
Russia	SRW	277	278	276	-	-	-0.36
India	FAQ	291	290	288	319	-8.68	0.28
Australia	ASW	297	296	303	-	-	0.23
Ukraine	SRW	260	263	266	-	-	-1.14

IGC Wheat Global Balance Sheet:

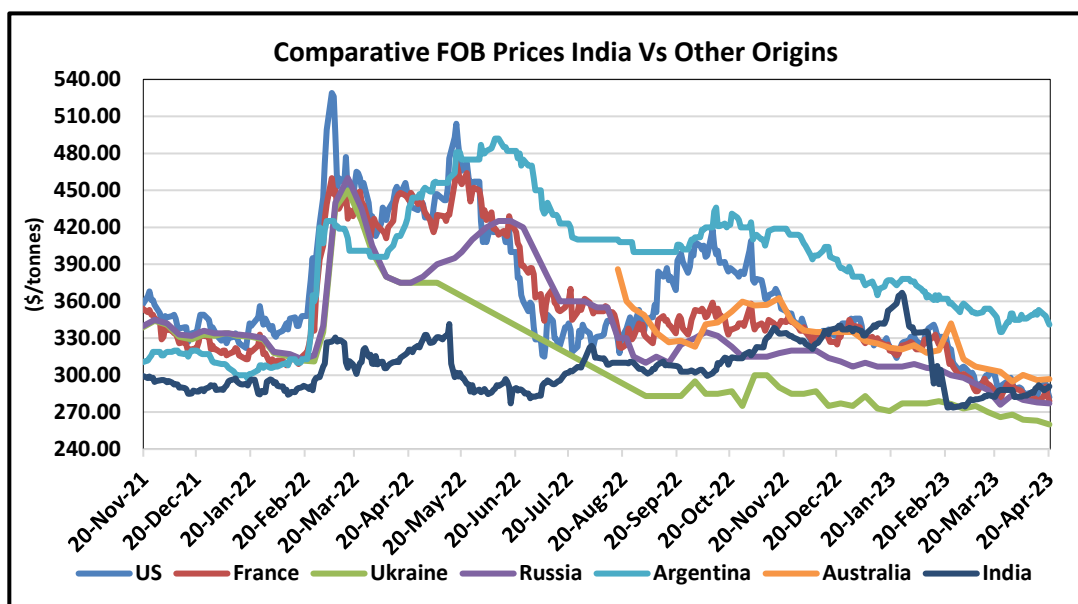
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IGC Forecast (Fig-In MMT)	2020-21	2021-22 est.	2022-23 F'cast	2023-24 Projected	
				16.03.23	20.04.23
Production	774	781	803	787	787
Trade	190	197	198	195	193
Consumptions	771	784	793	794	794
Carryover stocks	279	274	284	279	277
Y-O-Y change	2	-3	10	-7	-7
Major Export	58	60	69	58	60

Source: IGC

- IGC has up the forecasted 2022-23 global wheat production at 803 MMT.
- The trade forecast for 2022-23 is 198 MMT in line with increased production numbers.
- Consumption declines as compared to previous estimate of 783 MMT.
- Carryout for 2022-23 is forecasted at 284 MMT down by 2 MMT as compared to previous estimate.
- While for 2023-24 IGC has projected production at around 787 MMT which is on same pace as in previous estimate.
- Trade is projected around 193 MMT down as compared to previous estimate.

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.

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
	21-Apr-23	13-Apr-23	21-Mar-23	18-Jan-23	19-Oct-22	21-Apr-22	
May-23	243.13	245.06	254.42	275.64	319.18	392.38	-0.79
Jul-23	247.26	248.36	257.82	276.84	318.17	378.70	-0.44
Sep-23	250.93	252.13	263.15	279.96	318.63	376.22	-0.47
Dec-23	256.35	258.19	267.10	285.01	320.46	-	-0.71
Mar-24	259.66	261.86	268.11	288.41	320.28	-	-0.84
May-24	260.30	263.15	260.67	288.96	-	-	-1.08
Jul-24	256.54	258.01	260.21	284.09	-	-	-0.57
Sep-24	257.91	258.93	-	-	-	-	-0.39

Source: MRCI



Technical Analysis (International market)

US Wheat Futures May -23



1st Support: 652

2nd Support: 700

1st Resistance: 800

2nd Resistance: 902 (\$ per tonne)

US wheat futures May23 were down by 3.50% to 661, during the week made low at 658, high at 707. 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 weak bias in coming weeks.

Technical Analysis (Domestic market)

Wheat-Technical Outlook:

Kanpur Market Prices

Technical Chart:



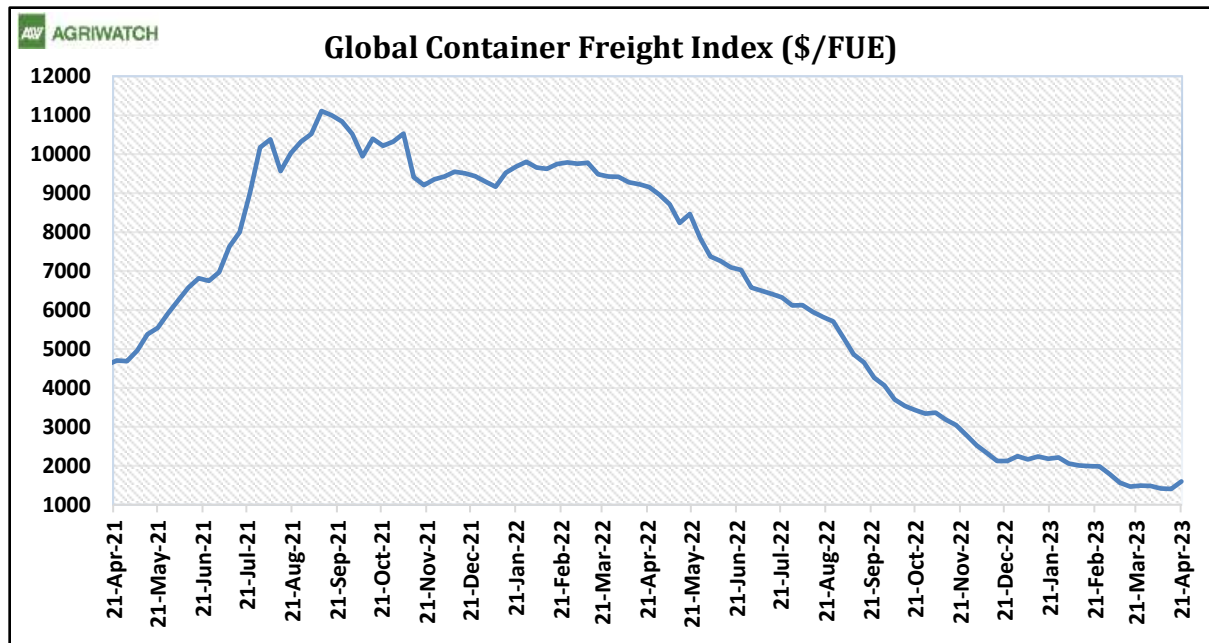
Technical Commentary:

- Wheat Kanpur prices down from previous week and make high at 2200, low at 2185 and closes at 2200.
- Market is currently trading below 9, 50 and 18 DMA, taking support from 100 DMA.



- 2173 is near term support and 2260 would be resistance.

Container Freight Index



During week under review prices were on higher side by 13.73% and traded at \$1533 foot unit equivalent. Increase in prices were result of blanked sailings by carriers and suspensions of services coupled with expectations of demand rebound through peak season.

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