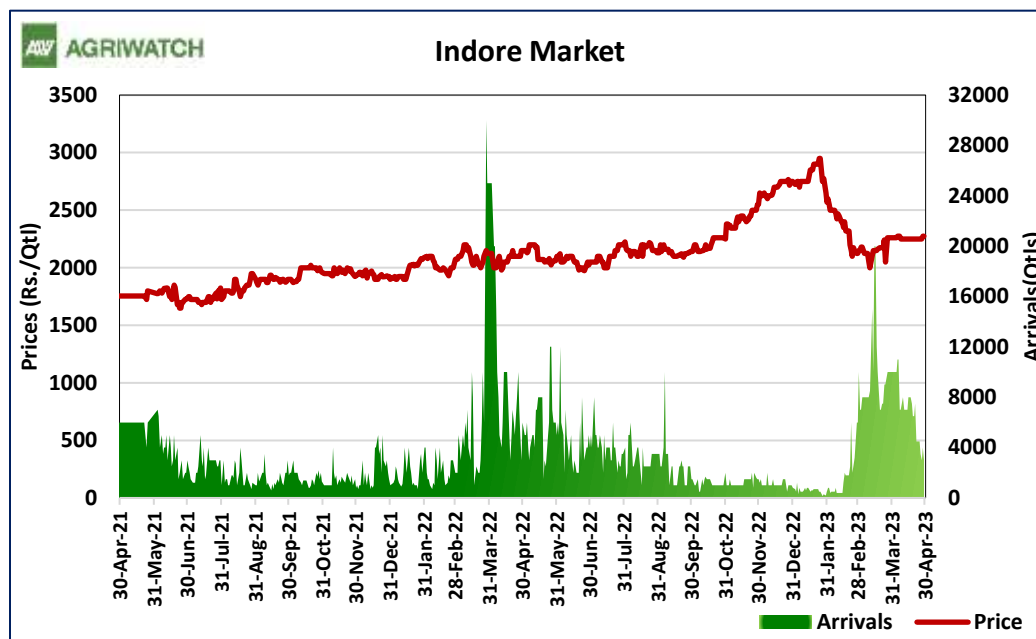


Wheat Weekly Research Report

Table of Contents

- ❖ **Review and Outlook**
- ❖ **Export/Import**
- ❖ **Weekly Price Change**
- ❖ **Stocking Norms**
- ❖ **FOB Quotes**
- ❖ **Spot Price at NCDEX Delivery Centers**
- ❖ **Domestic Outlook and Spot Prices**
- ❖ **International Wheat Market**
- ❖ **IGC**
- ❖ **CBOT Future Contract**
- ❖ **International FOB Trend**
- ❖ **US Wheat Futures Mar-23**
- ❖ **Container Freight Index**



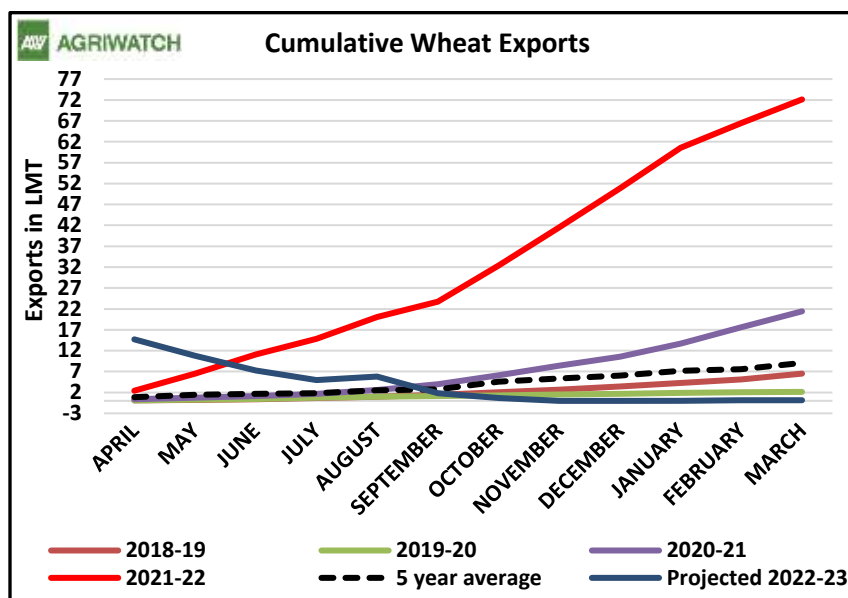
- Throughout the previous week, major cash markets for wheat exhibited steady to slight firm movement due to speed up procurement of Wheat in all the states. In Indore market prices were on higher side by Rs.75 per quintals and traded at Rs.2275 per quintals as compared to previous week.
- As on 26/04/23 total of 195 LMT Wheat has already been procured so far. This has already surpassed the last year total procurement of 188 LMT. Out of total 89.79 LMT has been procured from Punjab, 54.26 LMT from Haryana and 49.47 LMT from Madhya Pradesh. Around Rs.41148 crores have already been made to 14.96 lakh farmers during the ongoing Wheat procurement operations.
- As per the latest data by FCI, A total of about 35.37 LMT Wheat was distributed in March month which was down by 13.56% as compared to the same period last year. Out of the total under the NFSA scheme was 14.92 LMT, under other welfare schemes was 2.14 LMT, and under OMSS 19.77 LMT of Wheat was distributed.
- Due to recent rainfall and hailstorm in M.P arrivals got affected and decline of 5000 quintals had been observed in a gap of just one trading day.

Outlook:

During the upcoming week, prices are anticipated to remain steady with the support of a strong procurement drive this year. However, there is a potential risk from the weather, as unfavorable weather conditions could negatively impact the quality of the stock in the mandis. 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.

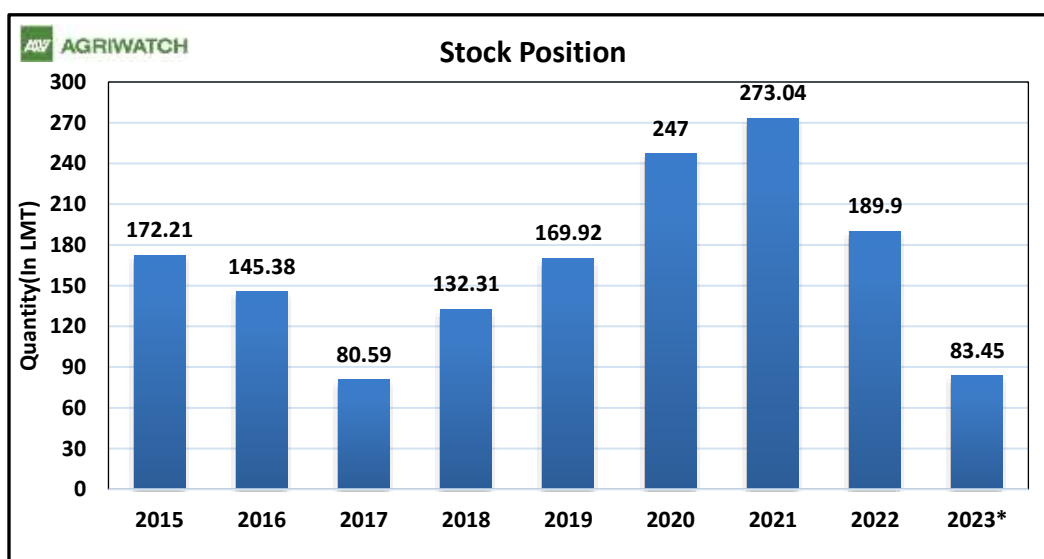
Export:

At present, the export of wheat is limited, and the government has decided to maintain these restrictions until the state reserves are adequately stocked.



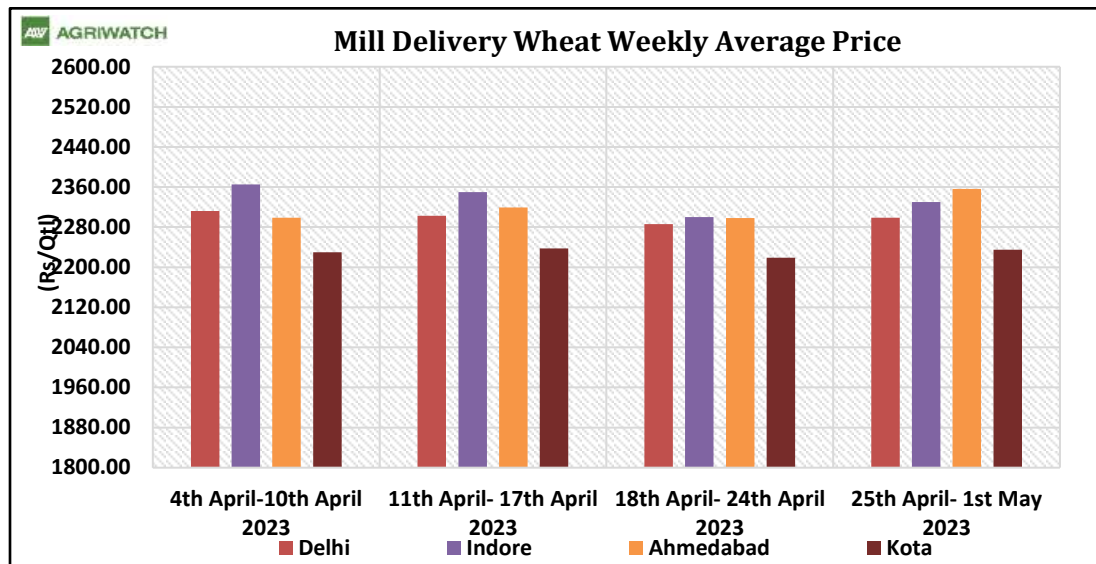
Trade Call: There is no NCDEX trading currently.

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

Due to ongoing procurement prices were on slightly higher side during week under review 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
	28-Apr-23	20-Apr-23	29-Mar-23	29-Apr-22		
Indore	2240	-	2175	2237	0.13	-
Delhi	2300	2265	2451	2315	-0.65	1.55
Kanpur	2220	2200	2240	2200	0.91	0.91
Rajkot	2310	2300	2350	2454	-5.87	0.43
Kota	2240	2250	2275	2422	-7.51	-0.44

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
			28-Apr-23	27-Apr-23	21-Apr-23	29-Mar-23	29-Apr-22
Delhi	Lawrence Road	Mill Delivery	2300	2290	2290	2480	2300
	Narella	Mill Quality Loose	2150	2170	2135	Closed	2200
	Nazafgarh	Mill Quality Loose	2200	2160	2130	Closed	2200
Gujarat	Rajkot	Mill Delivery	2290	2280	2275	Closed	2450
	Ahmedabad	Mill Delivery	2360	2350	2280	Closed	2500
	Surat	Mill Delivery	2460	2450	2380	Closed	2550

	Dhrol	Mill Delivery	2270	2355	2395	-	2375
M.P.	Indore	Mill Delivery	2375	2300	2300	2300	2300
	Bhopal	Mill Quality Loose	2150	2100	Closed	Closed	2000
Rajasthan	Kota	Mill Quality Loose	2050	2050	2050	2000	2275
		Mill Delivery	2225	2225	2200	2200	2425
U.P.	Kanpur	Mill Delivery	2225	2225	2225	2230	2210
	Mathura	Mill Quality Loose	2125	2140	2100	2150	2250
	Kosi	Mill Quality Loose	2150	2150	2080	2150	2200
	Hathras	Mill Quality Loose	2150	2150	2150	2650	2200
	Aligarh	Mill Quality Loose	2125	2080	2090	2250	2140
Punjab	Khanna	Mill Quality Loose	2125	-	2125	2210	2030
	Ludhiana (Jagraon)	Mill Delivery	2240	2240	2200	2150	2150
Haryana	Sirsa	Mill Delivery loose	2125	2125	2125	2250	2100
	Hodal	Mill Delivery	-	-	-	-	-
	Bhiwani	Mill Quality Loose	2100	2100	2080	2370	2200
	Karnal	Mill Delivery	-	-	-	-	-
	Panipat	Mill Quality Loose	2125	2125	2125	2420	2050
Tamil Nadu	Chennai	Mill Quality	2550	2550	2550	2500	2500
	Madurai	Mill Quality	2607	2750	2700	2600	2700
	Coimbatore	Mill Quality	2607	2800	2750	2650	2750
Bihar	Khagariya	Mill Delivery	2300	2350	Closed	2250	2200
	Muzaffarpur	Mill Delivery	2250	2250	2200	2200	2100

FOB & CIF Quote for Wheat at Kandla

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

Particulars	At Kandla
Mill delivery (Rajkot)	22800
Freight charge	550
Misc. Charges (port handling)	650
FOB (at Kandla Rs/T)	24000
FOB value in \$ for FAQ	293.72
Freight Charges (US \$/ton) to Dubai	42
Insurance @ 0.1% (\$/MT)	0.29
CIF to Dubai (value in \$ for SRW)	335.72

(INR value: 81.74 as on 28.04.2023)

International Market Update:

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

- As per data given by Agricultural Ministry, around 1 million hectares of spring grains in Ukraine have already been sown as of 21st April 2023 as compared 1.53 million hectares in previous year. Out of which spring Wheat has been planted at 1.69 lakh hectares up as compared to 1.64 lakh hectares in previous year.



- The USDA's crop progress report for the week ending on April 24th indicates that 18% of winter wheat crops was headed which was 10% compared to last year. The report also shows that 56% of the crops are currently in good to fair condition, while 41% are in very poor to poor condition. As for spring wheat, 5% of planting has been completed so far this year, which is lower than the 12% completed during the same period last year.
- As per data given by StatsCan Canadian wheat area is forecasted at 26.97 million hectares, largest since 2001 while up by 6% as compared to previous year. While spring wheat area is forecast at 19.39 million hectares up by 8% as compared to previous year.

International Weekly Outlook:

Good supply side from US and France pressurize the FOB prices in respective countries by 6.74% and 3.58% respectively. While in India due to increase in domestic prices export prices were on higher side by 0.96% as compared to previous week. While in Russia and Ukraine prices were on down side by 0.72% and 0.38% respectively amid higher supplies.

Indicative FOB Quotes:							
Wheat FOB	Variety	Current Week	Week Ago	Month Ago	Year Ago	% Change over Prev. Year	% Change over Prev. Week
		27-Apr-23	20-Apr-23	30-Mar-23	29-Apr-22		
USA (Chicago)	2srw	263	282	293	428	-38.55	-6.74
France	FCW3	269	279	292	432	-37.73	-3.58
Argentina	ASW	341	341	350	452	-24.56	-
Russia	SRW	275	277	284	380	-27.63	-0.72
India	FAQ	294	291	288	333	-11.71	0.96
Australia	ASW	286	297	295	-	-	-3.49
Ukraine	SRW	259	260	268	375	-30.93	-0.38

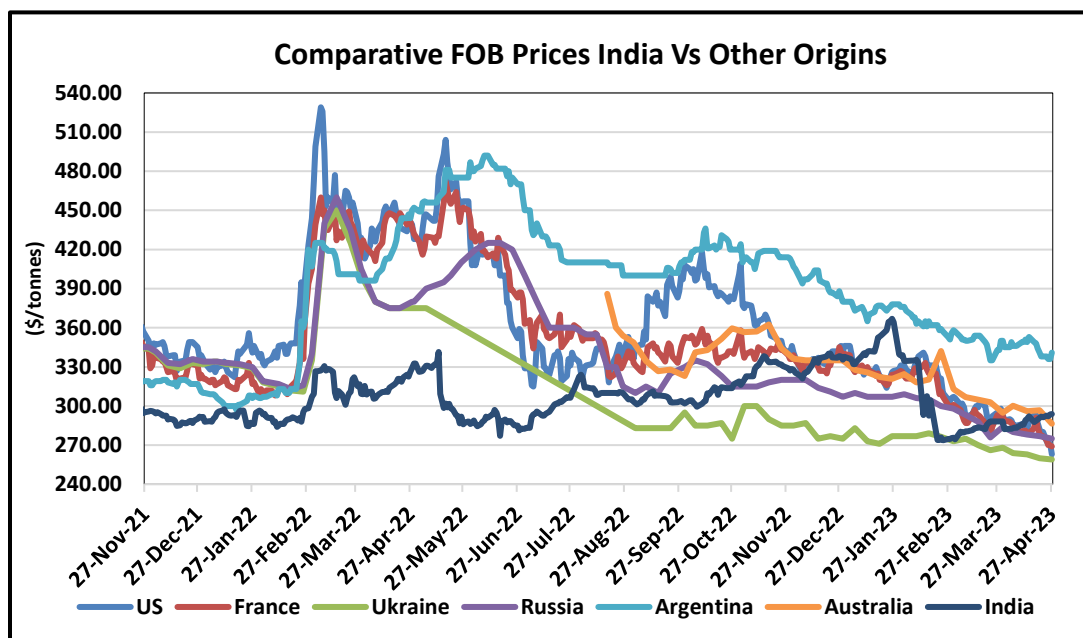
IGC Wheat Global Balance Sheet:

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

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
	28-Apr-23	20-Apr-23	28-Mar-23	25-Jan-23	26-Oct-22	28-Apr-22	
May-23	227.70	245.33	257.09	275.18	319.55	395.05	-7.19
Jul-23	232.84	249.83	261.41	275.73	319.27	379.89	-6.80
Sep-23	236.97	253.69	265.81	278.03	321.20	375.48	-6.59
Dec-23	243.40	259.38	272.15	282.99	323.95	-	-6.16
Mar-24	247.72	262.97	276.28	286.11	324.14	-	-5.80
May-24	249.56	263.61	277.11	-	-	-	-5.33
Jul-24	248.55	258.65	269.95	-	-	-	-3.91
Sep-24	251.76	259.84	-	-	-	-	-3.11

Source: MRCI

Technical Analysis (International market)

US Wheat Futures May -23



1st Support: 655

2nd Support: 615

1st Resistance: 812

2nd Resistance: 900 (\$ per tonne)

US wheat futures May23 were down by 4.12% to 661, during the week made low at 624.25, high at 680. 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



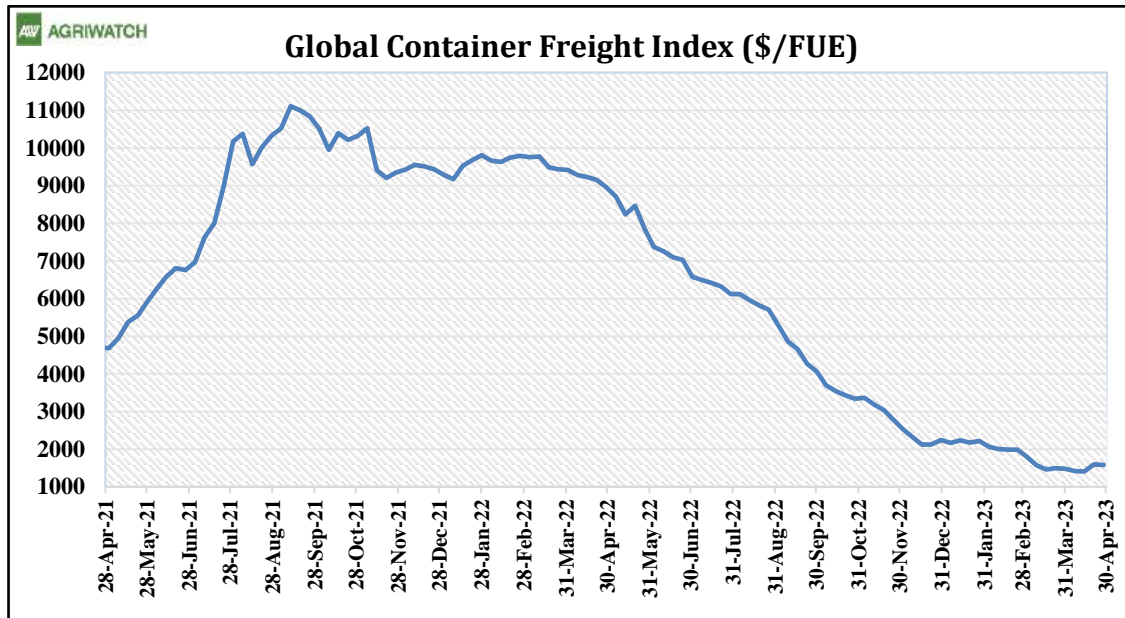
Technical Commentary:

- Wheat Kanpur prices up from previous week and make high at 2220, low at 2205 and closes at 2220.
- Market is currently trading below 9, 50 and 18 DMA, taking support from 100 DMA.



- 2166 is near term support and 2400 would be resistance.

Container Freight Index



During week under review prices were on slight down side by 1.44% and traded at \$1576 foot unit equivalent. During the current week, there was meeting between ILWU (International Longshore and Warehouse Union) and PMA (Pacific Maritime Association) to fix the labor shortage and wages issues. Carriers are trying to stick to the GRIs (General Rate Increase) by blank sailings and reduce the capacity. Along with blank sailings and suspension of services carriers have slow down the speed of vessels (currently ships are sailing at average of 13.5 knots down from 2021 average of 14.5 knots) to reduce the capacity.

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