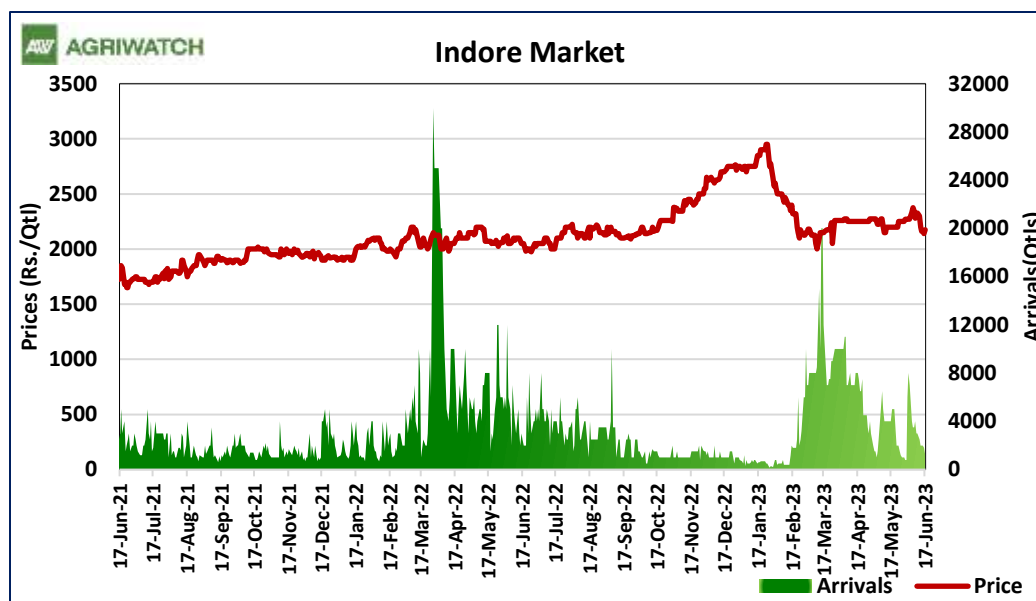


Wheat Weekly Research Report

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**



- The Government has implemented a stock limit on Wheat from June 12, 2023, until March 31, 2024, to address the issue of rising prices. As a result, domestic prices have experienced a significant decline in major Wheat cash markets, with a decrease of Rs. 50-100 per quintal observed within just one trading day. This measure aims to regulate prices and bring transparency to stockholdings by requiring stockholders to disclose their holdings through a portal established by the Food Corporation of India (FCI). The FCI will update the portal every Friday with the latest stock information. Additionally, the Government has announced the release of 15 LMT (Lakh Metric Tonnes) of Wheat under the Open Market Sale Scheme (OMSS), with the first e-auction expected to take place from June 28 onwards. In Indore benchmark market weekly average prices have decline by 6% and traded at Rs.2189.86 per quintals during week under review.

Procurement for RMS 2023-24:

As on **04/06/23** total of **261.96** LMT Wheat has already been procured so far which is up by **40%** as compared to same period in previous year.

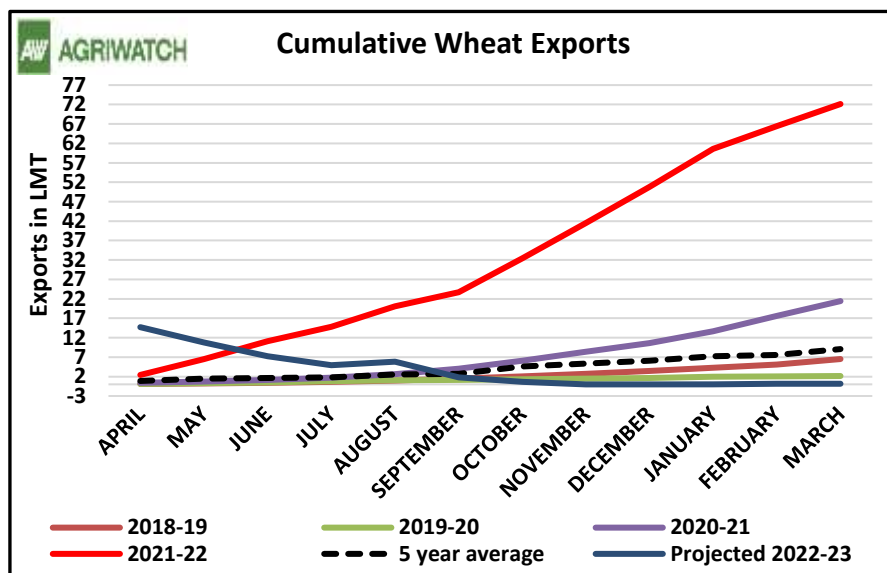
State-wise Procurement:

State	Fig. in LMT
Punjab	121.26
Haryana	63.17
M.P.	70.97
U.P.	2.18
Rajasthan	4.33
Others	0.05
All India Total (As of 4th June, 2023)	261.96

Outlook: AgriWatch expects that the downtrend will be followed in the all the major cash markets and decline of around Rs.100-150 per quintals have seen in upcoming week as the prices may get pressure from notification of stock limit and OMSS sale.

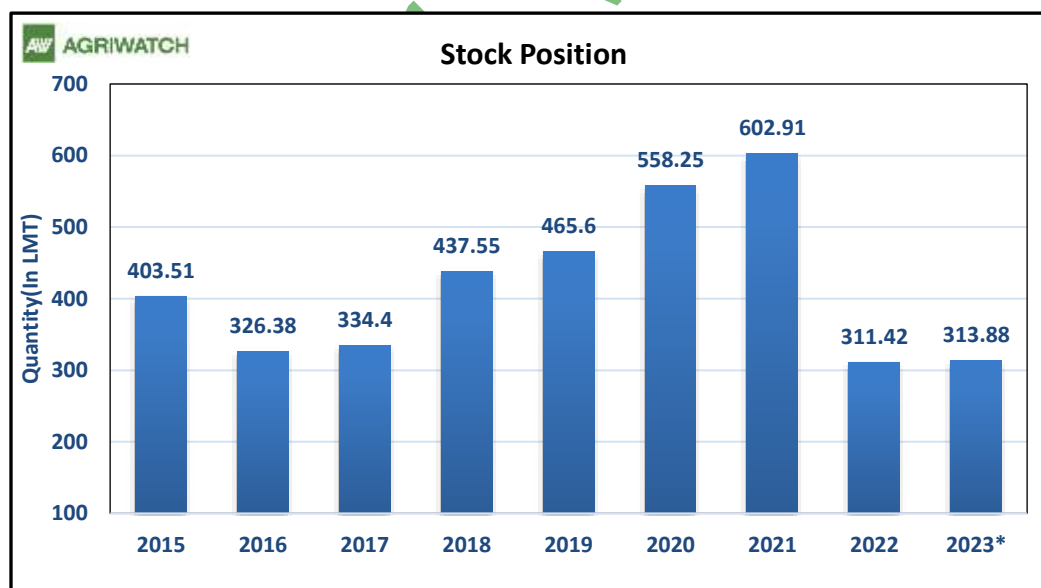
Export:

Currently, Wheat Export has been restricted.



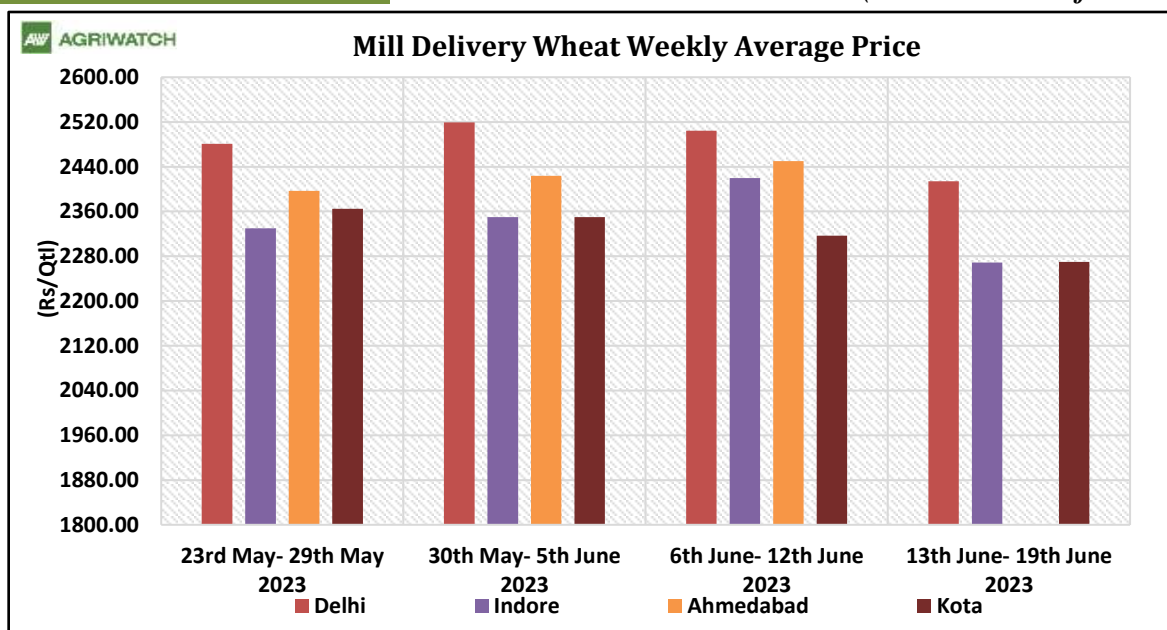
Trade Call: There is no NCDEX trading currently.

Central Pool Stock Position:



*Till June 1st, 2023

As depicted from the above chart, the Central Pool Wheat stock was recorded at 313.58 LMT as of June 1st-2023, which is up by 1% as compared to previous year. However, it remains higher than the buffer norms of 275.80 LMT as of 1st July, up by 14%. Out of total most of the stocks are being held with M.P (106.73 LMT) followed by Punjab with 96.26 LMT and Haryana with 54.64 LMT Wheat.



Source: Agriwatch

Stock limit notification delivery prices in Kota, Indore and Delhi while due to the ongoing cyclone in Gujarat markets were closed.

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
	17-Jun-23	10-Jun-23	18-May-23	17-Jun-22		
Indore	2300	2362.5	2285	2087	10.21	-2.65
Delhi	2435	2480	2390	2266	7.46	-1.81
Kanpur	2300	2420	2310	2115	8.75	-4.96
Rajkot	2350	2380	2315	2150	9.30	-1.26
Kota	2325	2350	2250	2100	10.71	-1.06



Spot Market Price:							
Centre	Market	Variety	Prices (Rs/Qtl)				
			Today	Yesterday	Week Ago	Month Ago	Year Ago
			17-Jun-23	16-Jun-23	10-Jun-23	18-May-23	17-Jun-22
Delhi	Lawrence Road	Mill Delivery	2440	2425	2480	2410	2270
	Narella	Mill Quality Loose	2250	2300	2280	2250	2100
	Nazafgarh	Mill Quality Loose	2300	2225	2300	2225	2100
Gujarat	Rajkot	Mill Delivery	Closed	Closed	2340	2275	2160
	Ahmedabad	Mill Delivery	Closed	Closed	2450	2350	2290
	Surat	Mill Delivery	Closed	Closed	2530	2420	2340
	Dhrol	Mill Quality Loose	-	-	-	-	-
Madhya Pradesh	Indore	Mill Delivery	2275	2250	2425	2300	2150
	Bhopal	Mill Quality Loose	2150	2150	Closed	2160	1980
Rajasthan	Kota	Mill Quality Loose	2150	2150	2160	2150	2050
		Mill Delivery	2300	2300	2275	2300	#REF!
Uttar Pradesh	Kanpur	Mill Delivery	2350	2325	2420	2270	2130
	Mathura	Mill Quality Loose	2225	2225	2280	2220	2100
	Kosi	Mill Quality Loose	2225	2190	2225	2215	2050
	Hathras	Mill Quality Loose	2160	2160	2300	2200	2030
	Aligarh	Mill Quality Loose	2210	2210	2240	2225	2050
Punjab	Khanna	Mill Quality Loose	2220	2220	2175	2135	2030
	Ludhiana (Jagraon)	Mill Quality Loose	2160	2160	2160	2130	2040
Haryana	Dabwali	Mill Quality Loose	2200	2200	2225	2110	-
	Hodal	Mill Quality Loose	2160	2160	2200	2125	-
	Bhiwani	Mill Quality Loose	-	-	-	-	-
	Karnal	Mill Quality Loose	2200	2170	2220	2150	2020
	Panipat	Mill Quality Loose	2190	2180	2240	2160	2040
Tamil Nadu	Chennai	Mill Quality	2700	2700	2700	2750	2650
	Madurai	Mill Quality	2750	2750	2750	2800	2700
	Coimbatore	Mill Quality	2750	2750	2750	2800	2700
Bihar	Khagariya	Mill Delivery	2300	2275	2450	2350	1950
	Muzaffarpur	Mill Delivery	2200	2200	2425	2300	-

FOB & CIF Quote for Wheat at Kandla
[\(Back to Table of Contents\)](#)

Particulars	At Kandla
Mill delivery (Rajkot)	23400
Freight charge	550
Misc. Charges (port handling)	650
FOB (at Kandla Rs/T)	24600
FOB value in \$ for FAQ	300.33
Freight Charges (US \$/ton) to Dubai	42
Insurance @ 0.1% (\$/MT)	0.30
CIF to Dubai (value in \$ for SRW)	342.33

(INR value: 81.91 as on 16.06.2023)

International Market Update:
[\(Back to Table of Contents\)](#)

- **Amidst the ongoing humanitarian crisis in Afghanistan, India has decided to extend assistance by sending 0.20 LMT (lakh metric tons) of Wheat to the country.** To facilitate this aid, India plans to utilize Iran's Chabahar port as a transit point for transporting the 0.20 LMT of Wheat to Afghanistan. Notably, a previous shipment of approximately 0.40 LMT had already been dispatched through this humanitarian initiative. The initial batch, comprising 0.02 LMT, has departed from the port and is expected to reach the Herat province in Afghanistan via Iran.
- **The USDA's crop progress report for the week ending on June 11th indicates that 89% of winter wheat crop was headed which was 82% in previous week and 85% in previous year.** Out of which around 8% had been harvested already which was 9% in previous year. The report also shows that 69% of the crop is currently in fair to excellent condition, while 31% in very poor to poor condition. As for spring wheat, 97% of planting has been completed so far this year, which is higher than the 92% completed during the same period last year. Out of which 90% has already been emerged so far. Out of this 93% crop is fair to excellent condition while only 7% is in poor to very poor condition. So overall, US crop is currently in good condition so far.
- **As per data given by FranceAgriMer, French soft Wheat condition has declined for the week ending 12th June, 2023 with around 85% of crop rated as good to excellent which was 88% in previous week.** While it was higher than 65% observed in last year.



International Weekly Outlook:

Good demand for US Wheat has push the export prices of US on higher side during week under review and for France Wheat rating of crop have been decline as compared to previous week which push prices on higher side. While in Australia good supply prospects keeps prices on down side while appreciation of currency in India keeps prices on higher side.

Indicative FOB Quotes:								
Wheat FOB	Variety	Current Week	Week Ago	Month Ago	Year Ago	% Change over Prev. Year	% Change over Prev. Week	% Change over Prev. Month
		15-Jun-23	8-Jun-23	18-May-23	15-Jun-22			
USA (Chicago)	2srw	256	250	252	408	-37.25	2.40	1.59
France	FCW3	256	250	247	413	-38.01	2.40	3.64
Argentina	ASW	354	370	376	482	-26.56	-4.32	-5.85
Russia	SRW	227	230	257	425	-46.59	-1.30	-11.67
India	FAQ	300	298	290	295	1.87	0.70	3.73
Australia	ASW	273	275	276	-	-	-0.68	-1.22
Ukraine	SRW	215	222	240	380	-43.42	-3.15	-10.42

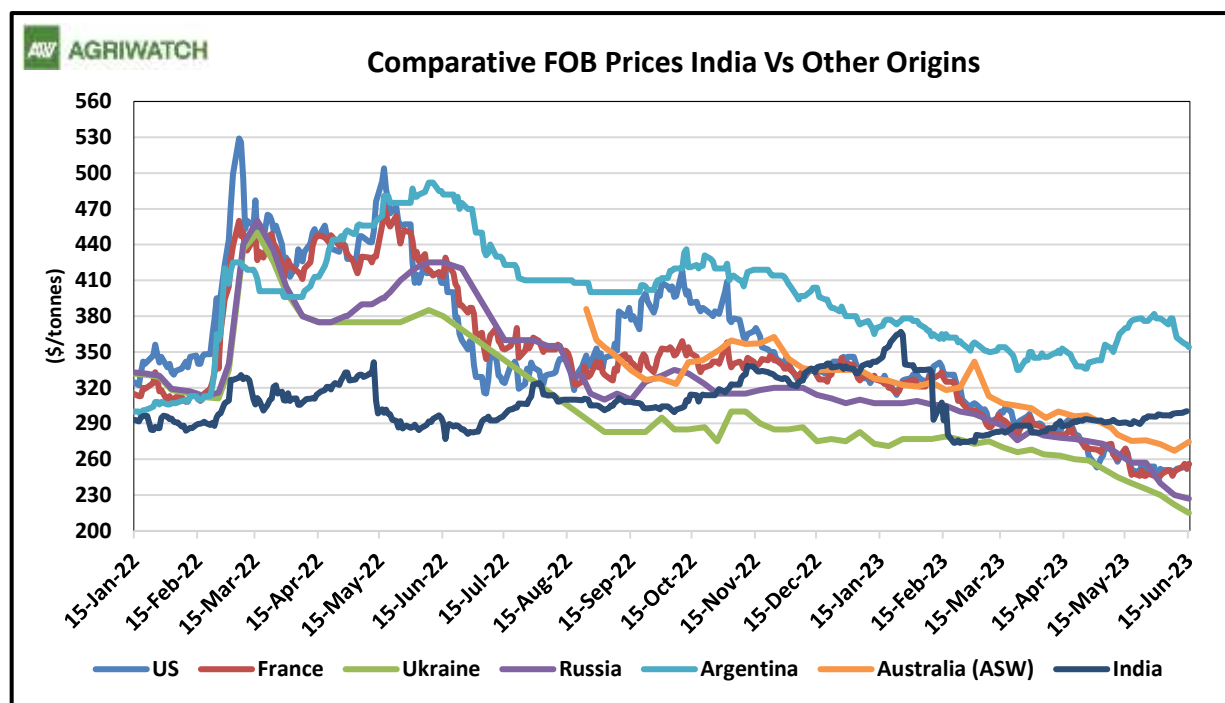
IGC Wheat Global Balance Sheet:

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

IGC Forecast (Fig-In MMT)	2020-21	2021-22 est.	2022-23 F'cast	2023-24 Projected	
				20.04.23	18.05.23
Production	774	781	803	787	783
Trade	190	197	200	193	194
Consumptions	771	784	795	794	795
Carryover stocks	279	274	283	277	271
Y-O-Y change	2	-3	8	-7	-12
Major Export	58	60	68	60	57

Source: IGC

- The trade forecast for 2022-23 is 200 MMT in line with increased production numbers.
- While increase Consumption as compared to previous estimate of 795 MMT.
- Carryout for 2022-23 is forecasted at 283 MMT down by 1 MMT as compared to previous estimate.
- While for 2023-24 IGC has projected production at around 783 MMT which is down as compared to previous estimate.
- Trade is projected around 194 MMT up as compared to previous estimate.

International FOB Weekly Price Movement:

CBOT FUTURES CONTRACT:

During week under review, CBOT prices were on higher side amid supply concern due to dry weather in US.

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
	16-Jun-23	9-Jun-23	16-May-23	16-Mar-23	14-Dec-22	16-Jun-22	
Jul-23	252.77	231.55	242.58	264.07	280.69	396.15	9.16
Sep-23	257.73	235.78	248.73	269.40	283.36	400.65	9.31
Dec-23	262.97	241.75	253.23	273.07	267.56	405.24	8.78
Mar-24	267.19	246.89	255.34	273.80	290.15	-	8.22
May-24	269.67	250.20	255.07	265.91	290.15	-	7.78
Jul-24	270.41	252.13	258.28	265.35	-	-	7.25
Sep-24	273.25	255.71	263.15	-	-	-	6.86
Dec-24	276.56	260.12	-	-	-	-	6.32

Source: MRCI



Technical Analysis (International market)

US Wheat Futures July -23



1st Support: 625

2nd Support: 603

1st Resistance: 724

2nd Resistance: 800 (\$ per tonne)

US wheat futures July23 were up by 1.77% to 630, during the week made low at 611.50, high at 647.80. Market is currently trading below 18, 50 and 100 DMA while taking support from 9 DMA. Indicator MACD and Oscillator is indicating weak 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:

- Prices reached a low of 2295, high at 2395 and closed at 2300.
- Market is currently trading below 50 and taking support from 9, 18, 100 DMA.
- 2300 is near term support and 2450 would be resistance.
- Market participants need to wait to buy near the support of Rs.2400.

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> © 2023 Indian Agribusiness Systems Limited.1790