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WHEAT REPORT



27 September 2025

Kedia Stocks and Commodities Research Pvt. Ltd.

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Fundamentals





1. Rainfall & Reservoirs

- ❑ India received 6% excess rainfall (Jun–Aug 2025).
- ❑ Reservoir storage stood at 158 BCM, about 7% higher than last year, ensuring good rabi irrigation support for wheat sowing.

2. Kharif Acreage & Production Outlook

- ❑ Overall kharif acreage slipped 0–1% YoY, with production seen down 2–3% due to pest and excess rain impact.
- ❑ Paddy area rose, but commercial crops like sugarcane and soybean shrank. Wheat acreage is unaffected for now as it is a rabi crop.

3. Wheat Procurement Performance

- ❑ RMS 2025–26 procurement: ~30 MMT, up from 26.6 MMT in RMS 2024–25, meeting ~92% of the govt's 32.3 MMT target.
- ❑ Procurement growth reflects higher MSP support and strong govt stock-building.

4. Price Movements

- ❑ Wheat mandi price in Aug 2025 was ₹2,611/quintal, about 15% above MSP (₹2,425).
- ❑ Prices rose 3% MoM and 1% YoY, supported by tighter domestic supply and demand recovery.

5. Credit & Input Support

- ❑ Agriculture credit grew 7% YoY to ₹23 lakh crore (July 2025), keeping farm financing stable.
- ❑ Tractor, seed, fertilizer, and pesticide sectors posted revenue growth between 3–17% YoY, aiding wheat farmers' pre-rabi input access.

6. Policy & Schemes

- ❑ MSP hikes for Kharif 2025–26 averaged 7% YoY; though wheat MSP revision will come in Rabi, the supportive stance boosts sentiment.
- ❑ Govt schemes like PM Dhan-Dhaanya Krishi Yojana (₹24,000 cr outlay) and expanded PM Kisan transfers strengthen farmer liquidity ahead of wheat sowing.



Performance

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Commodity	Price	Period (% Change)					
		1 Week	1 Month	3 Month	6 Month	1 Year	Ytd
Spot Wheat Delhi	2,821.00	-0.04	-0.41	3.22	3.05	-2.90	-9.73





Swot Analysis

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Strengths

- International demand strengthened and concerns grew over dry planting conditions in the Black Sea region.
- For the 2025–26 season, MSP rose by over 6% to ₹2,425/quintal, raising the minimum floor for market prices.
- Global markets tightened due to dry weather in key regions (Russia, Ukraine, Kansas), and persistent uncertainty, adding global price support.
- Private traders and flour millers held limited inventories, creating supply-pressure despite high production.
- The US Department of Agriculture reported weekly net export sales of 539,800 metric tons for the week ending September 18, bolstering bullish sentiment.

Opportunities

- Sowing of wheat might get delayed this year in northern states, particularly in Punjab.
- The Centre has hiked the reserve price of wheat by 10.86 per cent, for sale under the OMSS-D during the 2025-26 financial year.
- Potential wheat export markets in Africa, Asia, and Europe could open if export ban is lifted.
- Government may slow or limit open market sales from stocks to support prices during festive demand season.
- Global 2025/26 consumption is raised 5.0 million tons to 814.5 million, largely on higher feed and residual use.

Weaknesses

- Wheat prices remained stable near 2820 as arrivals for Sep 2025 till date, rose by 37.52% to 12.16 lakh tonnes compared to 8.84 lakh tonnes same period last year.
- IMD issues above-normal rainfall forecast for September–November, boosting soil moisture and potentially increasing future wheat yields.
- Uttar Pradesh offers 1,000 quintals of wheat seed to Punjab farmers, aiding replanting after floods and restoring supply.
- The agriculture ministry has estimated wheat production at a record 117.5 MT during the 2024-25, an increase of 3.7%.
- IGC has raised its forecast for 2025/26 global wheat production by 8 million metric tons to 819 million tons.

Threats

- India's wheat inventories reached a four-year peak, stocks stood at 33.3 mln tns, well above the government's target of 27.6 mln tns.
- India says no immediate plan to permit export of wheat, wheat products – Food Minister Pralhad Joshi
- Government sets ambitious wheat production target of 119 mln tns for 2025/26, suggesting ample supply - Agriculture Minister
- USDA has revised its global wheat production forecast for the 2025–26 to 808.55 mln metric tons, marking an increase of 8.93 MMTs.
- Projected 2025/26 global ending stocks are raised 4.0 million tons to 264.1 million.
- European Commission raising its 2025/26 soft wheat production forecast to 132.6 million tons, the highest in a decade.



Growth in Agricultural Credit

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Credit grew 7% year-on-year to 23 lakh crore, remaining steady on month in July 2025

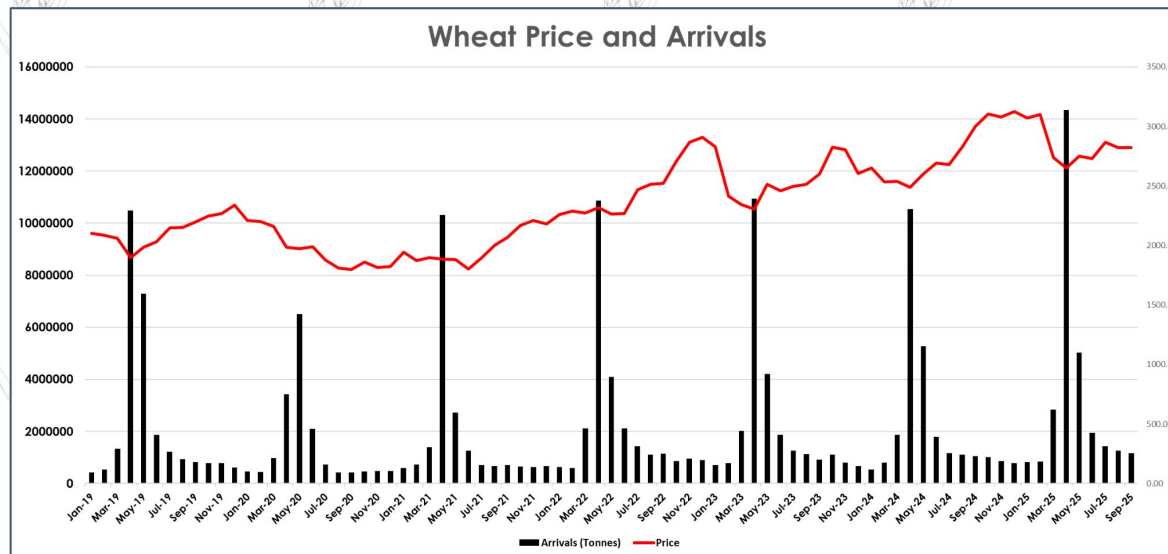
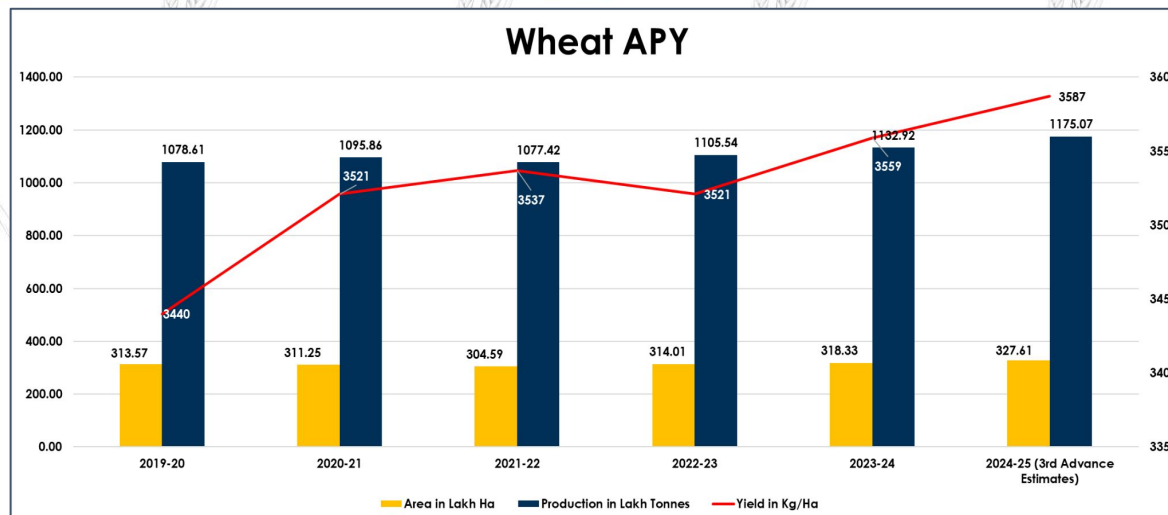


Source: Reserve bank of India (RBI), Crisil Intelligence



APY & Arrivals

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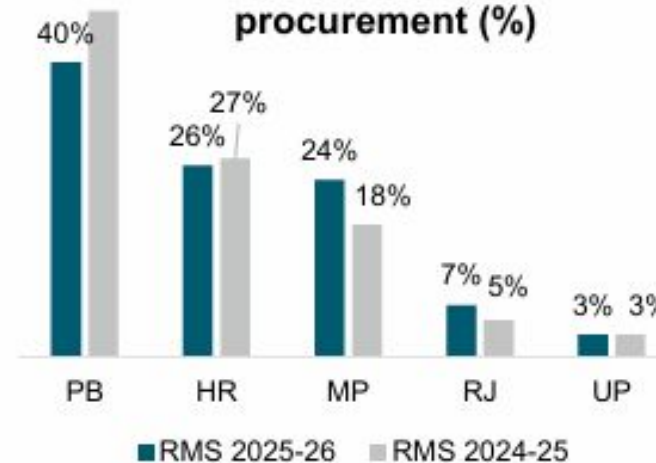
Source: Government of India & Agmarknet. Area in Lakh Ha, Production in Lakh Tonnes & Yield in Kg/Ha and Arrivals in Tonnes

Wheat

Quantity Procured in;

RMS 2025-26 ~30 MMT
RMS 2024-25 ~26.6 MMT

47% States contribution to the procurement (%)



Govt target 32.3 MMT; ~92% of target achieved in RMS 2025-26



Procurement Trend in 2025-26

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Wheat: Procurement Trend in 2025-26					
State Name	2022-23	2023-24	2024-25	2025-26	% Change over 2024-25
Bihar	0.02	0.01	0.10	0.18	80.00
Chandigarh	0.03	0.10	0.00	0.09	0.00
Gujarat	0.00	0.00	0.00	0.04	0.00
Haryana	41.85	63.01	71.46	71.04	-0.59
Himachal Pradesh	0.03	0.03	0.03	0.03	0.00
Jammu And Kashmir	0.00	0.00	0.00	0.00	0.00
Madhya Pradesh	46.01	70.97	48.40	77.72	60.58
Punjab	96.10	120.13	124.58	119.13	-4.37
Rajasthan	0.10	4.38	12.05	21.37	77.34
Uttar Pradesh	3.36	2.20	9.31	10.27	10.31
Uttarakhand	0.02	0.00	0.01	0.01	0.00
All India	187.49	260.72	265.94	299.87	12.76

Source: FCI, Marketing Season: RMS- (April to June), Procurement in LMT



Balance Sheet

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World (1000 MT)					
Attribute	2022/2023	2023/2024	2024/2025	2025/2026	% Chg
Beginning Stocks	275,273	274,651	270,704	262,421	(3.06)
Production	790,475	792,340	800,856	816,199	1.92
Imports	212,798	223,238	199,434	210,556	5.58
Total Supply	1,278,546	1,290,229	1,270,994	1,289,176	1.43
Exports	221,952	222,238	209,572	214,720	2.46
Consumption	781,943	797,287	799,001	810,396	1.43
Ending Stocks	274,651	270,704	262,421	264,060	0.62
Total Distribution	1,278,546	1,290,229	1,270,994	1,289,176	1.43
Stock to Use Ratio	21.48	20.98	20.65	20.48	(0.79)

India (1000 MT)					
Attribute	2022/2023	2023/2024	2024/2025	2025/2026	% Chg
Beginning Stocks	19,500	9,500	7,500	12,000	60.00
Production	104,000	110,554	113,292	117,510	3.72
Imports	42	126	155	250	61.29
Total Supply	123,542	120,180	120,947	129,760	7.29
Exports	5,377	338	186	250	34.41
Domestic Consumption	108,665	112,342	108,761	112,510	3.45
Ending Stocks	9,500	7,500	12,000	17,000	41.67
Total Distribution	123,542	120,180	120,947	129,760	7.29
Stock to Use Ratio	7.69	6.24	9.92	13.10	32.04

Source: USDA



Seasonality

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SPOT WHEAT DELHI PRICE MOVEMENT SINCE 2016

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Growth
2016	1708.35	1728.75	1650.00	1636.00	1769.40	1806.70	1772.55	1813.35	1823.05	2078.10	2100.00	1970.85	272.40
	0.58	1.19	-4.56	-0.85	8.15	2.11	-1.89	2.30	0.53	13.99	1.05	-6.15	16.04%
2017	2109.70	1900.00	1800.00	1735.00	1744.10	1720.00	1772.00	1760.00	1765.15	1861.05	1840.00	1789.40	-181.45
	7.05	-9.94	-5.26	-3.61	0.52	-1.38	3.02	-0.68	0.29	5.43	-1.13	-2.75	-9.21%
2018	1802.25	1770.00	1769.40	1730.80	1772.05	1780.50	1984.60	1980.00	2032.35	2037.20	2077.50	2079.40	290.00
	0.72	-1.79	-0.03	-2.18	2.38	0.48	11.46	-0.23	2.64	0.24	1.98	0.09	16.21%
2019	2100.00	2086.65	2062.00	1898.00	1985.00	2032.50	2149.15	2150.00	2198.75	2249.15	2269.15	2340.00	260.60
	0.99	-0.64	-1.18	-7.95	4.58	2.39	5.74	0.04	2.27	2.29	0.89	3.12	12.53%
2020	2210.00	2200.00	2158.40	1983.75	1971.25	1989.35	1878.25	1810.75	1800.00	1861.25	1812.95	1822.50	-517.50
	-5.56	-0.45	-1.89	-8.09	-0.63	0.92	-5.58	-3.59	-0.59	3.40	-2.60	0.53	-22.12%
2021	1942.50	1875.00	1900.00	1885.65	1882.45	1802.50	1895.00	2000.00	2069.50	2166.65	2210.10	2180.00	357.50
	6.58	-3.47	1.33	-0.76	-0.17	-4.25	5.13	5.54	3.48	4.69	2.01	-1.36	19.62%
2022	2260.00	2287.80	2270.60	2316.95	2265.30	2269.00	2468.00	2514.85	2519.85	2704.55	2866.10	2908.80	728.80
	3.67	1.23	-0.75	2.04	-2.23	0.16	8.77	1.90	0.20	7.33	5.97	1.49	33.43%
2023	2829.00	2412.20	2344.00	2306.45	2512.00	2460.00	2495.00	2512.50	2600.80	2826.25	2803.35	2605.00	-303.80
	-2.74	-14.73	-2.83	-1.60	8.91	-2.07	1.42	0.70	3.51	8.67	-0.81	-7.08	-10.44%
2024	2650.00	2534.85	2540.00	2487.00	2599.40	2692.35	2680.85	2827.80	3000.00	3105.00	3080.00	3125.00	520.00
	1.73	-4.35	0.20	-2.09	4.52	3.58	-0.43	5.48	6.09	3.50	-0.81	1.46	19.96%
2025	3070.50	3100.00	2737.50	2650.00	2749.00	2730.00	2867.50	2822.50	2821.00				-304.00
	-1.74	0.96	-11.69	-3.20	3.74	-0.69	5.04	-1.57	-0.05				-9.73%
Average	1.13	-3.20	-2.67	-2.83	2.98	0.12	3.27	0.99	1.84	5.51	0.73	-1.18	Average

Technicals





Volatility

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Weekly



The **Choppiness Index** is a technical indicator that quantifies whether a market is **trending or moving sideways**. It ranges from **0 to 100**, with higher values indicating a **choppy, range-bound market**, while lower values suggest a **strong trending condition**. A reading above **61.8** signals consolidation, whereas below **38.2** indicates a strong trend. Traders use it to adjust strategies for breakout or range-bound trading.

The **Choppiness Index** in the chart is in **high volatility zone**, indicating market will be in trending phase. The value is **around 35.02**, suggesting the market witnessing a **strong directional movement** rather than consolidation.



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Weekly



Relative Strength Index

(RSI) is a momentum oscillator that measures the speed and change of price movements, ranging from **0 to 100**.

Values above **70** indicate overbought conditions, while below **30** suggest oversold levels, helping traders identify potential trend reversals.

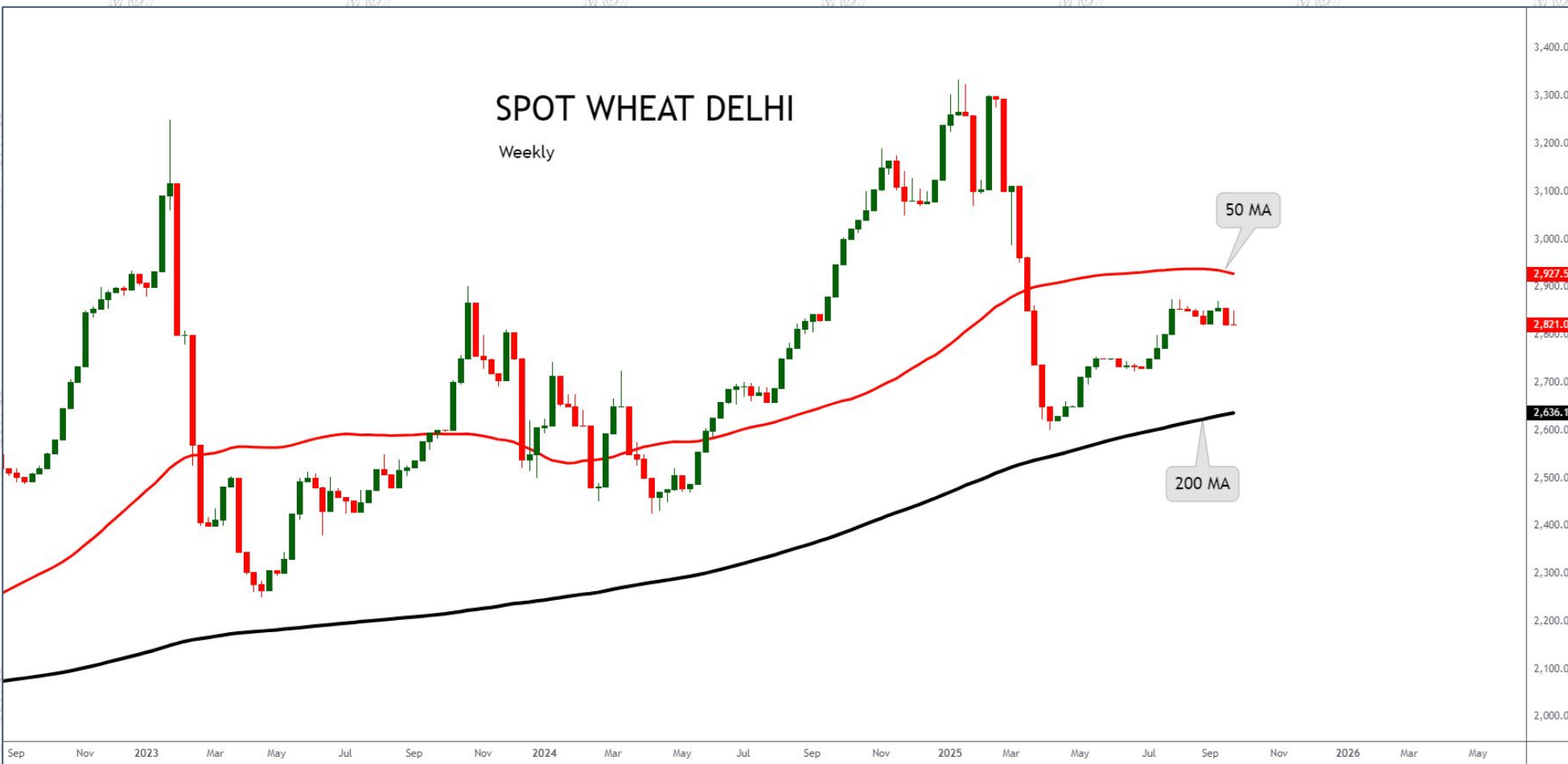
The **Relative Strength Index (RSI)** is at **49.03** and is stable near 50 level indicating that the market is **in neutral zone**.



Moving Averages

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A **Moving Average (MA)** in technical analysis is a trend-following indicator that smooths price data by calculating the average price over a specific period. It helps traders identify trends, support, and resistance levels. Common types include the **Simple Moving Average (SMA)** and **Exponential Moving Average (EMA)**, with shorter periods reacting faster to price changes and longer periods providing a broader trend perspective.



The **price is currently below the 50 Moving Average (MA) and above 200 Moving Average (MA)**, suggesting prices are in range where 50MA will act as resistance and 200 MA as support.

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Weekly



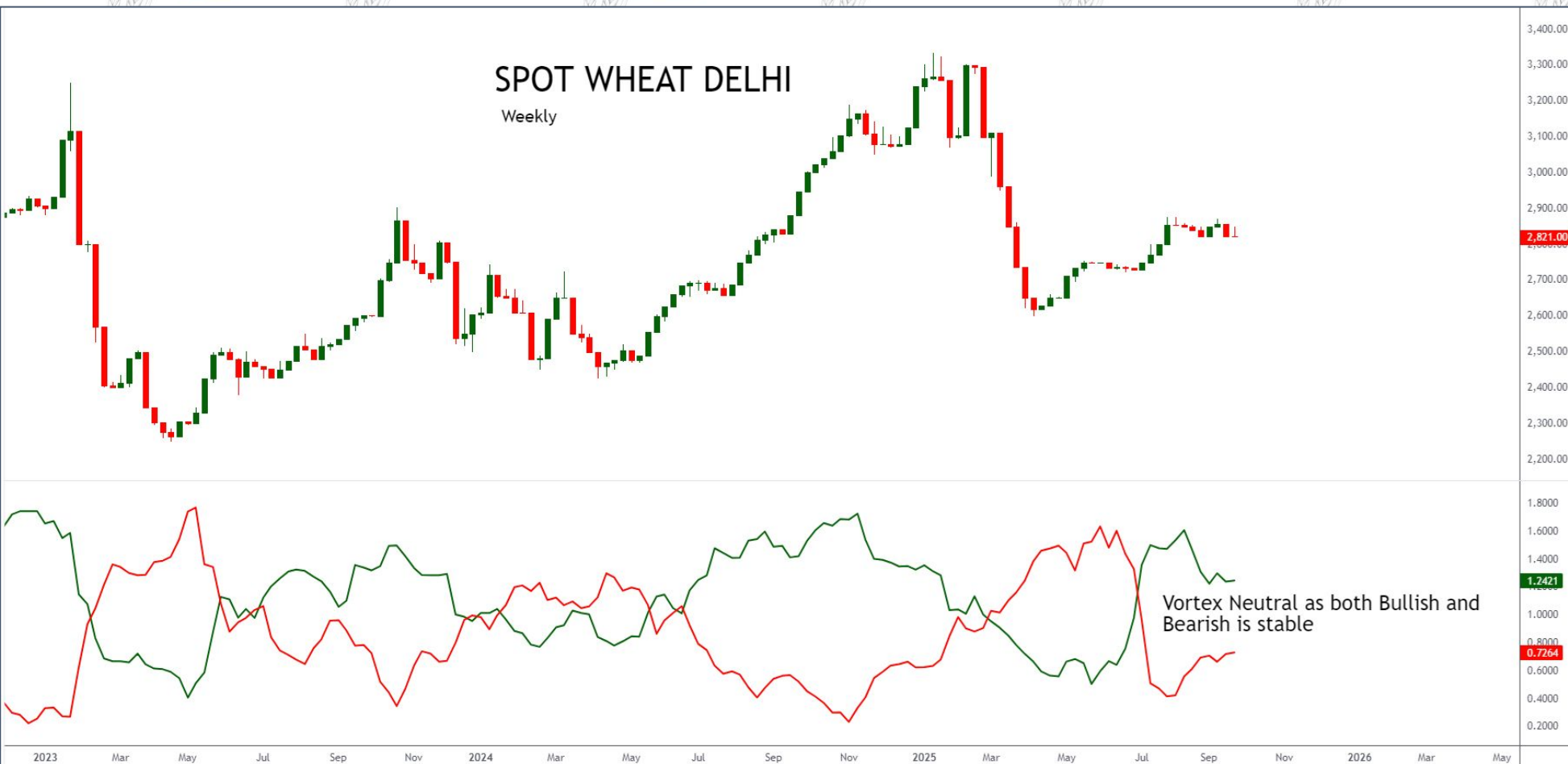
Moving Average Convergence Divergence (MACD) is a **trend-following momentum indicator** that shows the relationship between two exponential moving averages (EMAs) of an asset's price. It consists of the **MACD line (12-day EMA - 26-day EMA)**, a **signal line (9-day EMA of MACD)**, and a **histogram**. Traders use MACD to identify trend direction, momentum shifts, and potential buy/sell signals when the MACD line crosses above or below the signal line.

The MACD is **trading near to 0 levels**, with the MACD line (black) and the signal line (red) both trading below but near 0 with light green histogram, indicating MACD is in a **neutral to weak zone**.



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Weekly



The **Vortex Indicator (VI)** is a **trend-following tool** used in technical analysis to identify trend direction and reversals. It consists of two lines: **+VI (Positive Vortex Line)**, which measures upward momentum, and **-VI (Negative Vortex Line)**, which tracks downward momentum. A **bullish signal** occurs when **+VI crosses above -VI**, indicating an uptrend, while a **bearish signal** is generated when **-VI crosses above +VI**, signaling a downtrend.

The **Vortex Indicator (VI)** shows a trend is neutral, where the **VI+ (green)** started to move with stability and **-VI (red)** slightly moving upwards from stable.



Ulcer Index

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The **Ulcer Index (UI)** is a technical indicator that measures downside risk in terms of both the depth and duration of price declines. The index increases in value as the price moves farther away from a recent high and falls as the price rises to new highs. The greater the value of the Ulcer Index, the longer it takes for a commodity to get back to the former high.



The **Ulcer Index (UI)** shows a index is at lower levels, a recovery in Ulcer Index signals growing downside risk, suggesting prices may face corrections ahead.



Fibonacci Time Zone

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Fibonacci Time Zone is a technical analysis tool consisting of a series of vertical lines which extend along the time (horizontal) axis.

Fibonacci time zones only indicate potential areas of importance related to time. No regard is given to price.

The base interval is set by drawing a trend line between price highs or lows. The Time Zone tool then plots a series of vertical lines at increasing intervals.

Fibonacci Time Zone signals mid-November as a critical period. Prices are **currently in a consolidation phase** ahead of the Fib time zone trigger, which often signals a strong directional move.



Indicators Synopsis

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Indicators	Result
Volatility	Volatility Expected
RSI	Neutral
Moving Averages	Below 50 MA And Above 200 MA
MACD	Neutral to Weak
Vortex	Stable
Ulcer	Can show correction
Fibonacci Time Zone	Mid-November as a critical period

Outlook





Outlook

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Conclusion

Price Performance: Wheat prices held steady near ₹2,820 in September, supported by stronger international demand and dryness in the Black Sea region. However, domestic arrivals rose sharply by 37.5% YoY to 12.16 lakh tonnes, keeping upside capped and ensuring range-bound movement.

Supply & Inventories: India's wheat production for 2024–25 is estimated at a record 117.5 MT, up 3.7% YoY, while government inventories reached 33.3 MT, the highest in four years, providing abundant supply that restricts major price surges despite supportive global cues.

Government Support: The Centre's 6% MSP hike to ₹2,425/quintal sets a strong price floor, cushioning farmers against market weakness. This policy support limits downside risks even as higher arrivals and heavy inventories create pressure, anchoring prices within a broader consolidation zone.

Global Drivers: Internationally, bullish sentiment is underpinned by dry weather concerns across Russia, Ukraine, and the U.S., alongside higher USDA export sales. However, India's strict export ban prevents domestic prices from fully benefiting, capping wheat's upward potential despite positive global fundamentals.

Technical Outlook: Technically, RSI around 49 reflects neutral momentum, MACD is flat near zero, and the price trades between 50 MA resistance and 200 MA support, signaling sideways consolidation with no decisive breakout likely in the immediate term.

Price Outlook

Price	Trend	1-2 Months Outlook	3 Months Outlook
2820.00	Neutral	₹2,740–2,880	₹2,670–2,930 as ample supply restrict sharp moves



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