

MARKET FUNDAMENTALS

Steady to weak market:

Wheat future and cash markets are likely to remain under pressure in weeks ahead due to various factors like favourable weather, increased area and higher production estimate. Rainfall activity in some parts of northern India such as Uttar Pradesh, Haryana and Punjab resulted to strong boost to wheat crop as crop is currently reported in grain formation stage. Therefore, anticipation of strong supplies in the near term might add some selling pressure. Hailstorm in few areas of Punjab including Dhuri in Sangrur and Morinda have hit wheat crop over 3000-4000 acres of land. Even in Rajasthan some damage to the wheat crop has been reported and crop size is likely to be reduced. Amount of damage is being assessed.

However, next three-four weeks are very crucial for wheat crop in terms of estimating final production figure. If day temperature continues to rise, arrival for growing regions may start early. We need to keep close eye on weather development. Amid adequate stocks against lower demand and restricted trading activities prices are likely to dip in weeks ahead. This year conditions are favourable so far due to higher availability of water and good moisture level in the field.

Above normal sowing:

India's wheat acreage for the rabi crop season so far compared with last season while rice acreage dropped, according to official figures. Official data from the Agriculture ministry showed an increase of 9.23 lakh hectare in acreage for wheat this season to 292.83 lakh hectares. India's wheat planting until Feb. 18 rose 3.1% from a year earlier to a record, brightening prospects of a bumper crop.

Govt. procurement to swell:

While government procurement will continue to swell, problem of plenty will further aggravate storage woes. The main challenge before procuring agency is to manage crunch of storage space. Rain in November led to improved ground water level and better storage position in reservoirs. This, apparently, has led to farmers going in for higher coverage of wheat. Some area shift from cotton and cumin to wheat has helped to improve area.

India has hiked procurement target by more than 16% to a new high of 26 million ton for 2011-12 season in

anticipation of bumper wheat harvest this year. Last year, the Food Corporation of India (FCI) and state-owned procuring agencies have purchased 22.52 million tons of wheat from farmers. The government expects a bumper wheat crop and the estimated procurement may be to the tune of 26 million ton. According to the second advance estimate released recently by the agriculture ministry, wheat production is likely to touch a new high of 81.47 million tons this year against 80.71 million tons in the previous year. But actual production is expected much higher and it may cross the level of 83 MMT.

Buffer stock requirements:

Buffer stocks of food grains in the Central Pool are required for (i) feeding the Targeted Public Distribution System, (ii) catering to the requirements of other welfare schemes of the Government, (iii) maintaining a minimum food security reserve for emergencies, and (iv) undertaking price stabilization or market intervention operations. As per the existing buffer stockings norms, minimum stocks of foodgrains to be maintained in the Central Pool on 1st day of each quarter in a year are as follows:

MINIMUM BUFFER NORMS			
	Wheat	Rice	(In lakh tons)
1 st April	70	142	212
1 st July	201	118	319
1 st October	140	72	212
1 st January	112	138	250

Pressure on wheat market:

Wheat cash market continued to rule under pressure on expectation of higher supply from govt.'s stock, increased area and excellent crop condition in major producing states. Flour millers are actively buying wheat from all available sources including FCI and buying is likely to continue in February and March. Weather is favourable throughout the country. Plants growth rate is being reported excellent amid ample moisture level in the field. Above average sowing has been reported from most states.

Maximum Stock In Govt. Custody:

Despite higher offtake from federal govt.'s stock during last two months new season is likely to begin with below 15 MMT old wheat stock. State like Goa is still demanding more wheat and rice for APL and BPL family. Stock in private hand has come to an end now.

Total storage space:

There are three agencies in the public sector which are engaged in building large scale storage/warehousing capacity namely, Food Corporation of India (FCI), Central Warehousing Corporation (CWC) and 17 State Warehousing Corporations (SWCs). Over a period of time sizeable scientific storage/warehousing capacity has been developed by these Public Sector agencies and they are implementing plans to increase it further. However, storage space crunch is still intact given the higher expected procurement this year. Punjab has storing capacity of 137.68 lakh tons of foodgrains including CWC and SWC. Just the same way Haryana has collective storage capacity is 46.6 lakh tons, Rajasthan has 27.81 lakh tons and U.P. has 70.83 lakh tons. Total capacity at all India level is 603 lakh tons.

Govt. targets 81.47 MMT:

Wheat production will touch a record 83 million tons against the govt.'s second advance estimate of 81.47 million tons in the current rabi season despite some damage to the crop due to unprecedented rains this year. Higher yield and increased area in Rajasthan, Gujarat, Haryana and Punjab may boost overall production of wheat in normal weather condition ahead. India had produced a record 80.71 million tons of wheat in the 2009–10 crop year. Wheat is a rabi crop, for which sowing starts in November and harvesting commences in March. It accounts for nearly 71 per cent of the total food grains production in the country. However, temperature in next three-four week will be crucial for yield and final production figure.

Area up in Rajasthan

Wheat area in Rajasthan has gone up with increasing interest of farmers in wheat sowing. Wheat farmers have been engaged in extended sowing as the acreage crosses the targeted 25 lakh hectares. Experts expect the area to go up to 26.5 lakh. If the condition remains favorable as it is now, the production is likely to touch 85 lakh ton.

Bumper production in Punjab and Haryana likely:

The total wheat production of Haryana and Punjab may reach 268 lakh metric tonnes in 2010-11, compared to 256 lakh MT of the previous year. It is expected that while the production may go up from 151.69 lakh MT last year to 154 lakh MT in 2011 in Punjab, Haryana may see its yield go up from 105 lakh MT in 2010 to 114.6 lakh MT this year.

Both Haryana and Punjab received better than normal winter rains this year. The weather also remained cooler than that of last year. Extreme cold conditions and winter rains are good for the Rabi crop, especially wheat and vegetables.

Centre may hike APL grain price:

With the food subsidy bill expected to rise by around 18% over the 2010-11 Budget estimate of nearly Rs 68,000 crore because of increase in procurement and allocations prices, the government is believed to have decided to hike the central issue price (CIP) of foodgrain supplied to above poverty line (APL) families through the public distribution system. CIP is the price at which the central government supplies foodgrains to states and union territories for supplying under the public distribution system, through a network of more than 5.02 lakh fair price shops spread across the country. Sources said the CIP for wheat and rice could be raised by around 40% each.

At present, almost 13.26 crore APL ration card holders get wheat at around Rs 6.10 per kilogram and rice at around Rs 8.30 per kg.

Global Warming: No Major Impact On Indian Wheat:

Although no major impact has been observed on wheat production due to global warming in India in the recent past, the government has taken preventive steps to safeguard the principal crop from rising temperature. Research findings of ICAR (Indian Council for Agricultural Research) on wheat crop has indicated that there is about 3 to 4 per cent decrease in grain yield with 1 degree celsius rise in temperature during grain filling stage. Out of 28 million hectare area under wheat in India, about 9 million hectare in North Eastern plain zone, Central zone and peninsular zone is prone to terminal heat stress. Studies have revealed that the mean annual surface air temperature over India has risen by 0.56 degree celsius during 1901-2009, which is above normal since 1990 over a base period of 1961-1990. Although no adverse affect of global warming has been noticed on wheat in India so far, the government has taken some timely precautionary steps. Heat tolerant varieties like DBW 14, DBW 16, Raj 3765, Lok 1, GW

322 etc. have been popularised on larger scale under schemes like National Food Security Mission-wheat and Integrated Cereals Development Programme in Wheat.

Curb on wheat export likely to stay:

India is unlikely to lift curbs on export of wheat in short term notwithstanding high buffer stocks. Government officials are of the view that these stocks would not be enough to meet domestic demand as the government proposes to enact a universal food security law. People think that our current grains reserve, pegged at 50 million ton, is quite high. Contrary to the belief, much higher stocks will be required in coming days when the government implements the National Food Security Bill.

Rains boost up yield:

The state agriculture department today said rain lashing the northern region today will be beneficial for wheat crop grown in Punjab and Haryana as it could help in enhancing the yield of the winter crop. Rain at this point of time is beneficial for wheat as it will improve the yield of the crop. If the weather continues to remain conducive, then we may have record wheat output this year. Light to moderate rains yesterday lashed most parts of Punjab and Haryana. Narnaul, Rohtak, Ludhiana and Karnal recorded rainfall of 17 mm, 12.8 mm, 5.4 mm and 3.2 mm, respectively. On the back of good rainfall observed just before sowing, both states are optimistic about high yield of wheat crop. Punjab is looking at yield of 4,400 kg per hectare, against last year's yield of 4,370 kg. Similarly, Haryana is seeing its yield at 4,650 kg a hectare, against 4,213 kg last season.

Import status:

As per flour millers association Indian mills had imported about 158,000 tons wheat from Australia and Black Sea region countries in last fiscal year. During 2010-11, imports are unlikely to touch 200,000 tons as southern mills preferred to source the foodgrains abroad at lower than domestic cost of procurement. Imports had slowed since last three months as Russia and Black Sea region countries like Ukraine, Russia and Romania banned wheat exports owing to drought and adverse weather conditions leading to lower output. This also led to sharp spike in global wheat rates. Currently, India allows zero-duty import of wheat after having scrapped the five per cent impost four years back. Import option on zero duty is likely to continue. However, import is unlikely due

higher prices in the international market. Overseas wheat market has touched 23 months high last week and prices may stay at higher level in medium and long term.

OUTLOOK:

Short Term (One fortnight):

Wheat is likely to trade in the range of Rs 1200 to Rs1300 in this fortnight and would be under pressure on back of huge stock, expected higher supply and bumper crop amid favourable weather. Prices of wheat slipped from higher level at the end of last week on better prospects of higher production, congenial weather supported by increased area in major growing regions in next two weeks. Supply is expected to increase in weeks ahead through FCI stocks. Prices are likely to go down due to mounting pressure of selling from federal govt.'s stock and prospects of record production. New crop is now only a month away and huge stock is cutting down the undertone. Millers, medium and small buyers are eying on govt. stock and fulfilling their requirements. This year even Gujarat and Rajasthan, besides Punjab and Haryana, are going to contribute more wheat for central pool, given the normal weather condition and higher area coverage.

Wheat SPOT Market (Prices In RS/QUINTAL)

Markets	06.02.11	20.02.11
Delhi (Lawrence Road) truck loaded ready delivery	1330-1335	1325-1330
Punjab Khanna	1215-1220	1215
Rajasthan (Kota) Loose	1250-1270	1150-1200
Uttar Pradesh (Kanpur) Loose	1290-1295	1305-1310
Madhya Pradesh (Indore) Loose	1340-1360	1320-1330
Ludhiana (Jagraon) Loose	1270-1275	1230-1235
Rajkot Loose	1300	1290-1300
Madhya Pradesh (Bhopal) Loose	1250	1150-1200

SPOT MARKET PRICE FOR WHEAT PRODUCTS:

Wheat Products	06.02.11	20.02.11
Atta (50kg)	775	745
Maida Grade 1(90kg)	1682	1683
Suji (50kg)	935	835
Chokar (50 kg)	506	506
Chokar (34 kg)	357	354
Chakki Atta (90kg) superfinee	1470	1494

Following was the status in other markets, with active millers and private trade buying: (as on 19.02.2011)

Place	Arrivals	Price (Rs/Qtl)
Mathura	400	1260-1270
Kosi	300	1260-1280
Najafgarh	300	1290
Sirsa	200	1225
Narella	500	1290

INTERNATIONAL NEWS & ANALYSIS:

Fear over global wheat production:

The global wheat market is caught between freezing winds and a sirocco. Prices, up 13% since the start of December, likely will keep rising. The freeze gripping a swath of the U.S. threatens winter wheat planted in the fall. The problem, believe it or not, is a lack of snow rather than too much.

IGC increases wheat production estimate:

International Grains Council has increased its estimate for global wheat production by 23 million tons next season. In its latest report, the influential intergovernmental group mainly attributed better Russian weather for the newly projected target of 670 million tones. The figure represents an improvement of 3.6% year on year, although leaves production short of the record 683m ton set three years ago, and reflected a rise in area greater than the 2% forecast last month, with farmers expected to stretch even further to exploit soaring grain markets.

The global wheat area is projected to rise by about 3%, boosted by higher prices and a return to more normal abandonment rates, especially in Russia," the IGC said, adding that the outlook for northern hemisphere grains crops "generally appears favourable at this early stage". Russia's grains output fell by nearly 40% last year, dented by the worst drought on record

Argentina Wheat Output Revised Up

Argentina's production of wheat is sharply higher than a year .wheat output is estimated to jump to 15 million tons from 8.5 million tons because of exceptionally high yields in some regions. Wheat is harvested in October and November.

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by 1.0-1.5 percentage points at 11.0%-11.5%.Argentina's wheat exports are likely to almost double to around 9 million-10 million tons this year and some of the low-protein grades may be shipped to Asian countries such as Bangladesh.

Russia seen keeping wheat export ban till late 2011

Russia's ban on wheat exports, imposed after drought ravaged crops, could very well be extended until the end of 2011 if mounting worries about the next crop are confirmed, exporters,. Moscow said in August it would suspend all grain exports until the end of the year and officials have hinted the ban was likely to be extended until the end of the 2010/11 season on July 1.

They expressed a widespread feeling the market had to be ready to do without grains from the world's former No. 3 wheat exporter for even longer, possibly until the end of the 2011 calendar year. Since they are sown on dry land the plants will be more fragile than usual, and on top of that the area (of winter wheat) is smaller, so lower crop is expected and it will reduce the exporting surplus in the local market.

Therefore seeing something (in exports) out of Russia before 2012 seems unlikely. Russian brokers and traders agreed the jury was still out on whether Russia would produce enough wheat to convince the government to lift the ban next summer. The country would need to harvest at least 80 million ton of grains next year to cover domestic needs, compared with 2010 grain output of 60.5 million.

Global cereal production likely to increase-FAO:

The global cereal production for 2010-11 is expected to be 2,239 million tonnes compared to 2, 261 million tonnes recorded in 2009-10, about 1 per cent lower than last year. Reduced output of wheat in the CIS (Commonwealth of Independent States) countries due to drought, as well as smaller crops in the European Union and North Africa, account for the decline. Even so, at the current level, the 2010 cereal production, coupled with large carryover stocks, "should be adequate to cover the projected world cereal utilisation in 2010-11," says the Food and Agriculture Organisation (FAO) in its latest projections based on crop estimates towards the end of September. The projected global cereal utilisation for 2010-11 is 2 248 million tonnes.

While global wheat and coarse grain production is expected to be lower than in 2009, rice output is likely to be higher by 3 per cent, which is said to be a record. In Asia, record cereal crops are anticipated in China and India, the FAO says. However, devastating floods damaged rice crops in Pakistan, while dry weather is adversely affecting prospects in Cambodia, and Lao People's Democratic Republic. In Latin America and the Caribbean, a recovery in production from last year's reduced level is anticipated. The U.N. agency indicated

that international prices of grain surged since the beginning of July in response to drought-reduced crops in the CIS exporting countries and a subsequent decision by the Russian Federation to ban exports. In September, wheat prices were 60 to 80 per cent higher than at the beginning of the season in July. However, prices are still one-third below their peaks in 2008. In the same period, the price of maize increased by about 40 per cent, while that of rice by only 7 per cent.

Consumption:

Global wheat consumption was revised up by 4 million tons to 678 million tons compared with its January estimate, resulting in a global surplus of 6 million tons, excluding carry-over stocks. The growth in consumption is largely expected to be fuelled by demand in Asia, the council said, where growing meat consumption is expected to boost demand for feed grains, including wheat, to a record 775 million tons.

Logistics Seen Limiting World Wheat Trade

Logistical constraints may hamper world wheat trade at a time when buyers are relying on a handful of exports to fill the deficit left by Russia's grain ban. Despite ample production and high world carryover stocks, which the International Grains Council pegs at 181 million metric tonnes, shipping problems may limit the amount of wheat that reaches global markets. Transport networks are facing particular strain this year because much of the world's wheat is concentrated in a few major exporters after severe weather problems forced Russia to cede its share of international trade this season. Buyers are pinning their hopes on exports from major producers the U.S., Australia, Argentina and Canada, all of which are expected to have substantial wheat crops this year. With the Southern Hemisphere harvest approaching there is a lot of wheat out there. But with the concentration of available exportable surpluses in a smaller number of countries than normal that could put pressure on logistics. In the U.S., the world's biggest wheat exporter, the problem is particularly acute. Record soy and corn crops mean wheat will have to compete for its share of export facilities this year at a time when authorities are already planning to close river systems feeding key soft wheat shipping port Portland from December to March.

Australia 2010-11 Wheat Crop Forecast Raised To 23.8MMT

National Australia Bank Ltd. upgraded its wheat production forecast for this crop year to 23.8 million metric tonnes, but said it couldn't go as high as the mid-September forecast of 25.1 million tonnes by the government's Australian Bureau of Agricultural and Resource Economics. The latest forecast by the bank, a major agricultural lender, represents an upward revision by 700,000 tons from last week and 1.4 million tons since August, and is up 2.1 million tons on actual output

of 21.7 million tons in the last crop year ended March 31, 2010. "While a crop of 25.1 million tons certainly is possible, at this stage we feel it is too early to call such a large crop Western Australia, which usually accounts for 40% of national wheat output, could also face further downward revisions depending on weather conditions, NAB reported. Higher national wheat harvest estimates have improved export prospects, with the bank forecasting last week exports from the new crop could swell to 17 million tons, compared with 15 million tons from the previous crop, maintaining Australia's position as a major supplier to the global trade.

Wheat crop in China still under drought condition

The amount of wheat acreage affected by drought in China was slightly lower Tuesday due to recent rain, snow and irrigation. Drought was affecting 6.71 million hectares of winter wheat in Hebei, Shanxi, Jiangsu, Anhui, Shandong, Henan, Shaanxi and Gansu provinces, down from 6.75 million hectares Monday. The eight provinces together account for more than 80% of China's wheat output. About 1.21 million hectares of winter wheat were severely affected as of Tuesday compared with 1.22 million hectares.

Canadian Wheat Board Outlooks For 2010-11:

The Canadian Wheat Board has both raised and lowered its price projections for wheat that will be delivered by western Canadian producers during the 2010-11 crop year. The 2010-11 crop year begins Aug. 1. Depending on the grade and class of wheat, values were raised by C\$6 a metric ton from the May projection while some grades of wheat were lowered by C\$1 a ton. "Obviously, if we look out our back door we see excessive moisture across large swaths of the western Canadian growing region with as much as one-fifth of total acreage unplanted in its outlook. Many more acres have been inundated with moisture, and without drier weather there will be reductions in yield and quality. However, the CWB said many of the fundamentals in the global wheat market remain tilted toward the bearish side of the equation. It said the world remains deep in wheat, although somewhat challenged in terms of protein supplies.

World wheat production for 2010/11 is projected to decline this month 7.5 million tons following an 11.5-million-ton projected drop in foreign production that more than offsets a 4.0-million-ton increase in U.S. wheat output. FSU-12 is dominant in this decline, as wheat production in this region is projected down 7.5 million

tons- 4.5 million tons for Russia and 3.0 million tons for Kazakhstan due to drought like conditions in the two countries' spring wheat belts. Canadian wheat production is cut by 4.0 million tons to 20.5 million this month, which is 236 percent lower than Canada's 2009 wheat output..

World wheat consumption Up One Percent:

World wheat consumption is forecast to increase by 1 per cent to 652 million tonnes in 2010-11, but nevertheless remain below forecast world production. This increase is largely driven by higher food use. Feed use is expected to remain largely unchanged, while the use of wheat in ethanol production is expected to increase. The use of wheat for human consumption is forecast to increase by 1 per cent, to around 457 million tonnes, in line with world population growth. Lower forecast wheat prices are not expected to have any significant influence on per person food consumption of wheat. Feed consumption is forecast to remain largely unchanged at around 104 million tonnes in 2010-11.

Global wheat supply:

Global wheat supplies for 2010/11 are reduced with world production projected 7.5 million tons lower as smaller crops in FSU-12, Canada, EU-27, India, and Turkey more than offset higher production in the United States and China. Production for Canada is lowered 4 million tons as persistent June rains limited seeding in the Western Prairies. Production is lowered 4.5 million tons and 3.0 million tons, respectively, for Russia and Kazakhstan as continued drought and high temperatures reduce yield prospects for spring wheat. EU-27 production is lowered 1.1 million tons reflecting early indications of lower-than-expected yields in northern Europe. India production is lowered 1.0 million tons on indications that heat during late grain fill reduced yields.

Production is lowered 0.5 million tons for Turkey as early harvest results indicate disease has reduced expected yields. Production is raised 2.5 million tons for China where favorable June weather boosted harvested area and yields. World wheat imports and exports are nearly unchanged for 2010/11, but substantial shifts are projected among the major exporting countries.

Exports are reduced for Canada, Russia, Kazakhstan, and Turkey with lower production. Exports are raised for the United States, Australia, EU-27, and Ukraine. Global wheat consumption declines slightly with lower expected feeding in Canada, EU-27, Ukraine, and the United States mostly offset by increases for Russia and China.

Global ending stocks are projected 6.9 million tons lower.

Australia Blends Wheat; Keeps Flour Mills Well Supplied

Wheat shipping slots at ports in Eastern and Southern Australia are fully booked until July and the country is keeping both flour and feed millers in Asia adequately supplied with the grain. Contrary to general perception that close to half of Australia's wheat harvest of 26 million tons this year is being downgraded to feed category, large volumes are in fact being blended suitably to meet demand for flour mills overseas. Flour mills in Indonesia, Vietnam, Sri Lanka and Bangladesh are purchasing Australian General Purpose, or AGP wheat, which is selling at a discount to the more traditional Australian grades.

A lot of different grades of wheat are there this year and blending is much more than usual, Mick Cattanaach, managing director, Emerald Group Australia Ltd., a major Australian grains trading company, said on the sidelines of a grains conference here organized by Centre for Management Technology. He said Australia has sold wheat for shipments until July and several million tons of the grain will be of AH9 and AGP grades.

AGP is a lower quality wheat compared with the more popular Australian Premium White and Australian Standard White wheat but is good enough for milling, Cattanaach said and added that AGP is selling at a \$20-\$25/ton discount to APW. Some traders said the discount is even bigger.

PRICE BEHAVIOUR

Prices are likely to trade in the range of Rs 1200 to Rs1300 in most of the cash markets depending on quality as well as regions specific conditions with steady to weak bias in near term. Gains are likely to be restricted in medium term due to price curbing policy and govt.'s intention to curb inflation and augment regular supply through open market and PDS Channels. Increased area has heightened the hope for bumper crop production once again, given the favourable weather so far.

Export ban continues and govt. is planning to augment supply in the open market and through PDS.

Wheat prices reach record high despite snowfall:

Wheat prices soared to two-year highs as recent snowfall in China's northern plains failed to alleviate drought conditions, Bloomberg reported. Chen Lei, deputy director of the State Flood Control and Drought Relief Headquarters, said in a statement that the drought is likely to continue to dampen wheat output. Wheat futures hit their highest level since the summer of 2008, despite pledges by Chinese officials to spend US\$2 billion to combat the drought and boost grain production. Some 42% of China's land under wheat cultivation, or about 6.75 million hectares, has been affected by the drought, which has left 2.8 million people and 2.5 million livestock without sufficient drinking water. The US Department of Agriculture estimates that China's annual output may have dropped to 114.5 million tons for its latest harvest, down from 115.1 million tons a year earlier.

France raised its forecast for the 2010-11 ending stocks:

-Noting high imports of grain and farmers inventory movements, the French government agency for agriculture and fisheries, FranceAgriMer raised its forecast for the 2010-11 ending stocks for the country's soft wheat, despite a surge in exports and stable production. As of early February, the agency has raised the ending stocks total for this key cash crop to 2.21 million metric tons from a 20-year low estimate of 1.96 million metric tons a month earlier, a gain of 12.8%. Also, Europe's top wheat producer expects to ship a record 12.1 million metric tons outside the European Union in .

EXCHANGE RATE (SOURCE: RBI)

Foreign Currency	Feb.07,2011 Rs. per unit	Jan,20.2011 Rs. per unit
1 US \$	45.59	45.11
1 British £	73.23	73.25
1 Euro	62.04	61.70
100 Yen	55.44	54.24

NCDEX WHEAT (CONTRACT: April):

Wheat futures might witness feeble demand at higher levels on the account of favourable weather condition in major wheat producing states. Rainfall activity in some parts of northern India such as Uttar Pradesh , Haryana and Punjab resulted to strong boost to wheat crop as crop is currently reported in grain formation stage. The latest release second advance estimates of Agriculture Ministry also stated that India's wheat production is

estimated at 81.47 million tonnes in 2010-11 crop year , up almost 1% from the last year. Therefore , anticipation of strong supplies in the near term might add some selling pressure in wheat futures at higher levels.



TRADE RECOMENDATION (Medium Term)

Contract	Call	Entry	T1	T2	SL
NCDEX, April	Sell	<1230	1210	1190	1237

SUPPORT & RESISTANCE

S2	S1	PCP	R1	R2
1190	1204	1218	1240	1255

CBOT Wheat Futures (Soft Red Winter):

CBOT Futures Prices (USD per Metric Tonnes)				
Futures Month	% Change Over Previous Month	Today (19.02.11)	WeekAgo (11.02.11)	MonthAgo (18.01.11)
Mar'11 (\$/MT)	-7.95	302.09	318.54	328.18
Mar'11 (INR/MT)	-7.95	13648.64	14391.45	14827.17
May'11 (\$/MT)	4.07	314.40	330.20	302.09
May'11 (INR/MT)	4.07	14204.71	14918.47	13648.64
July'11 (\$/MT)	4.70	325.52	340.03	310.91
July'11 (INR/MT)	4.70	14706.83	15362.50	14047.02
Sept'11 (\$/MT)	5.55	335.44	349.21	317.80
Sept'11 (INR/MT)	5.55	15155.01	15777.47	14358.25

Note:1 Bushel=27.216kg.

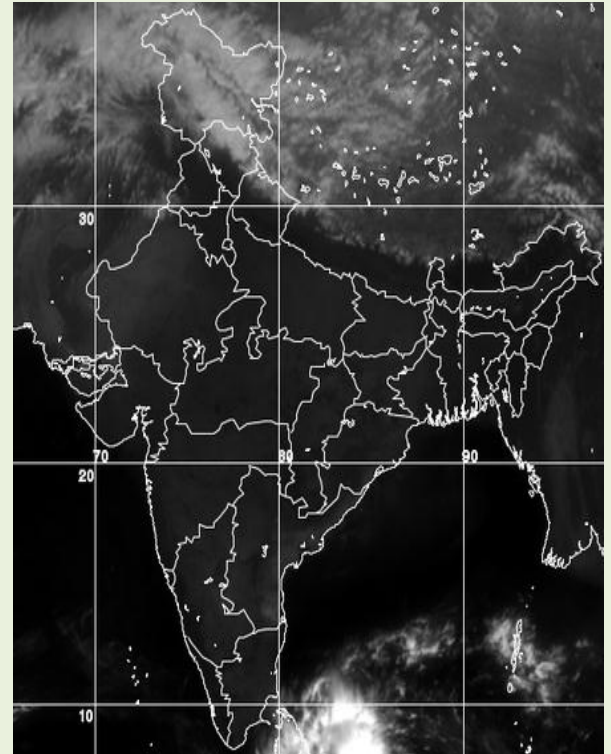


Weather Update

- Scattered rainfall had occurred over Jammu & Kashmir and Andaman & Nicobar Islands. Mainly dry weather prevailed over remaining parts of the country. Maximum temperatures were above normal by 25°C over many parts of northwest, west, central & northeast India and isolated pockets of east India.
- Kalpana-1 cloud imagery at 0530 hours IST shows convective clouds over parts of western Himalayan region and southwest Bay of Bengal. Low/medium clouds are seen over parts of Punjab, north Haryana and south peninsular India. The western disturbances would affect western Himalayan region during next 34 days. An easterly wave would affect extreme south peninsular India during next 34 days.
- Fairly widespread rain/snow would occur over Jammu & Kashmir and Himachal Pradesh and scattered over Uttarakhand. Isolated rain/thundershowers would occur over Punjab and Haryana during next 24 hours and increase thereafter. Scattered rain/thundershowers would occur over Andaman & Nicobar Islands during next 48 hours and decrease thereafter. Scattered rain/thundershowers would occur over south Tamilnadu and isolated over interior Tamilnadu and Kerala.
- No significant change in maximum and minimum temperatures over parts of northwest and adjoining central India during next 23 days.

Weather Warnings

Isolated heavy to very heavy rain/snowfall may occur over Jammu & Kashmir from tomorrow. Fairly widespread rain/snowfall would occur over western Himalayan region and isolated rain/thunder showers over adjoining plains of northwest India. Scattered rain/thundershowers would occur over south Tamilnadu and Kerala.



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