

Domestic Market Updates:

Abnormal rise in temperature (above 33 degree Celsius) in major wheat growing belts, especially in Uttar Pradesh, Bihar, Rajasthan, Haryana and Gujarat at this point of time is expected to affect normal yield. Temperature is likely to rise continuously and may touch 37-38 degree Celsius by the end of this month. At this stage ideal temperature for wheat in these states should be around 30 degree Celsius. Above 32 degree Celsius temperature can reduce yield by three to five percent in these states. Higher temperature may reduce grain size of late sowed varieties in Uttar Pradesh and Bihar.

In Madhya Pradesh the first phase, wheat will be procured from March 18 to May 18 in Bhopal, Indore, Ujjain and Narmadapuram divisions. The second phase of wheat procurement will be from March 25 to May 25 in remaining divisions including Gwalior, Chambal, Rewa, Shahdol, Sagar and Jabalpur.

Wheat cash market continued to rule steady despite improved harvesting activities in Rajasthan, Madhya Pradesh and North East Gujarat. Lower arrival at this point of time has compelled govt.'s agencies to extend procurement schedule at least for two weeks. Procurement is expected to start from 1st of April.

Rake loading from Kota to Kottayam and Coimbatore continues at Rs 1830/Q on delivered basis. Private exporters are still in wait and watch mood and are expected to wait for Uttar Pradesh crop, where there is no bonus over and above MSP.

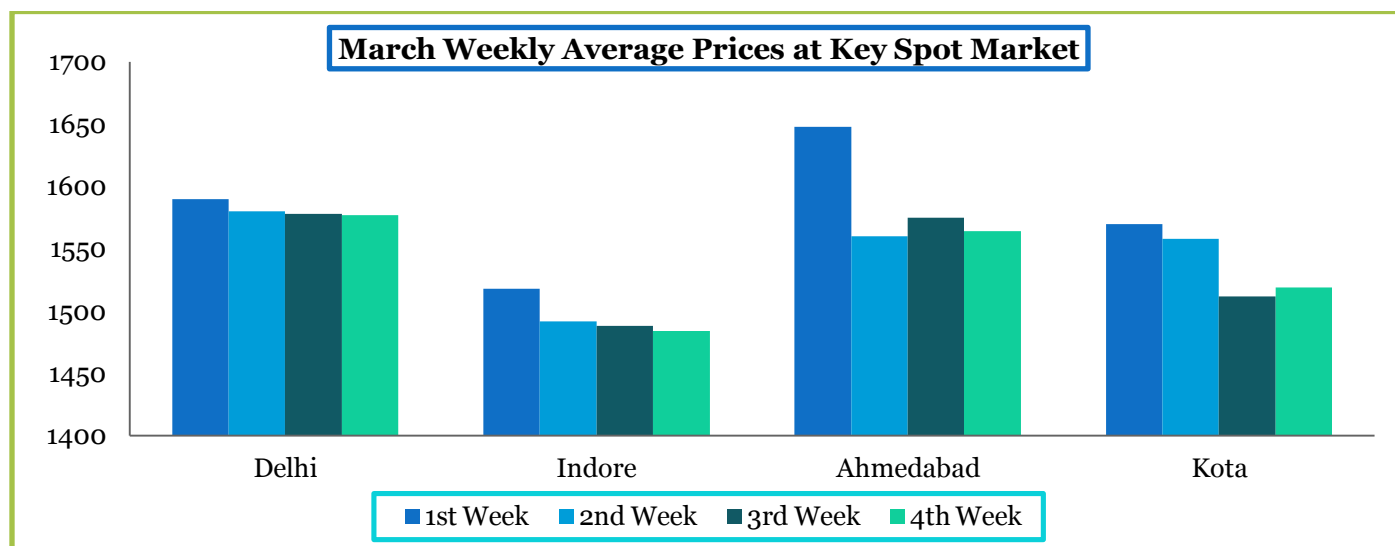
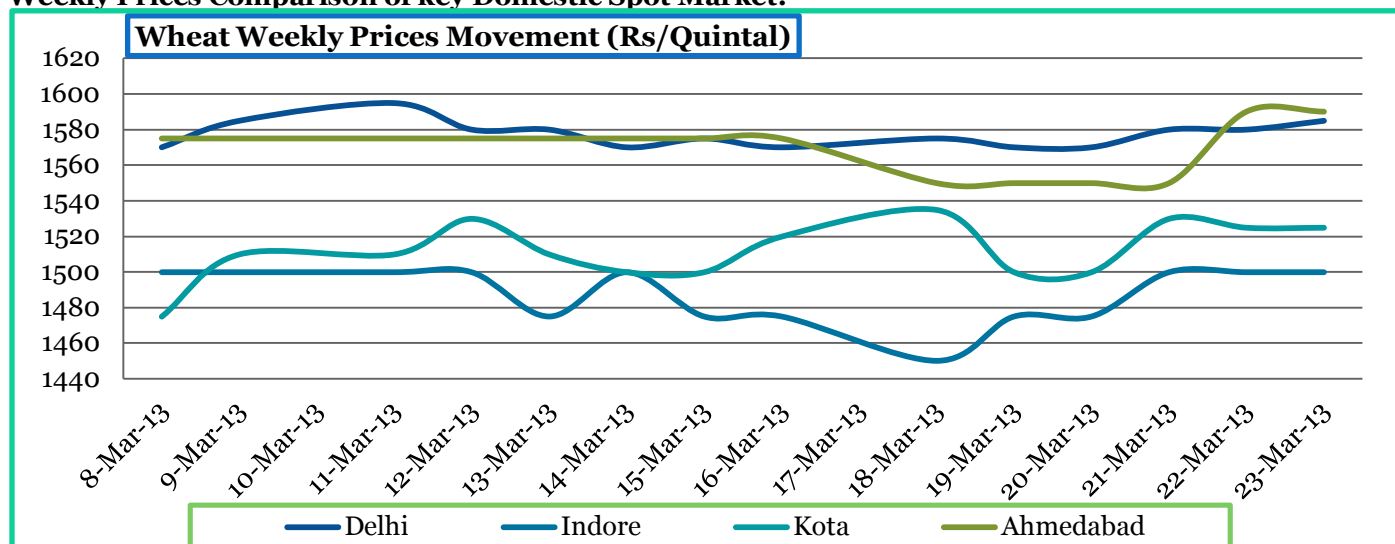
Wheat quality in Gujarat is poor in comparison to last year and exporters are unwilling to buy it. Lower production and poor quality there remains discouraging factor and only local traders are buying wheat at Rs1425-1450/Q. Millers from Gujarat are not buying from Rajasthan due to disparity. FOR Kandla is Rs 1590 and when buyers source it from Kota Total costing including freight comes to Rs1665/Q for mill delivery.

The percentage of milling quality in new arrival is 30 percent, Lok-1 is 35 percent and graded variety is 35 percent in Rajasthan and M.P. Milling grade is being quoted at Rs 1420, Lok-1-Rs1445-50 and Graded variety at Rs1480-1500/Q. Overall trend for wheat market stay steady despite better production prospects as arrivals as well as harvesting gets delayed by recent rains.

Weather Watch:

- Rainfall was excess/normal in 13, deficient/scanty in 19 and no rain in 4 out of 36 meteorological sub-divisions. (All India Actual: 4.8 mm, Normal: 6.8 mm and Departure: -29%) from 13 march till 20 March 2013.
- Rainfall was excess in 10 and deficient/scanty in 23 and no rain in 3 out of 36 meteorological sub-divisions. (All India Actual: 7.3 mm, Normal: 18.7 mm and Departure: -61%) from March month till 20th March.
- Forecast for next week is rain/thundershowers would occur at a few places over western Himalayan region and at one or places over Punjab, Haryana, Chandigarh & Delhi and West Uttar Pradesh with possibility of thunder squall at one or two places over Punjab, Haryana & Delhi.

• **Weekly Prices Comparison of key Domestic Spot Market:**



Crop arrivals has picked up in Gujarat and Rajasthan which pressurized the market. Prices are expected to fall .

STOCKS OF FOODGRAINS IN CENTRAL POOL AS ON 01.03.2013:	IN STORAGE	IN TRANSIT	TOTAL
RICE	353.54	4.15	357.69
WHEAT	269.01	2.02	271.03
Wheat lying in Mandies	0.00	0.00	0.00
TOTAL	622.55	6.17	628.72
COARSE GRAINS	0.71	0.00	0.71
SUGAR	0.31	0.07	0.38
GRAND TOTAL	623.57	6.24	629.81

(Figures in Lakh Tonnes)

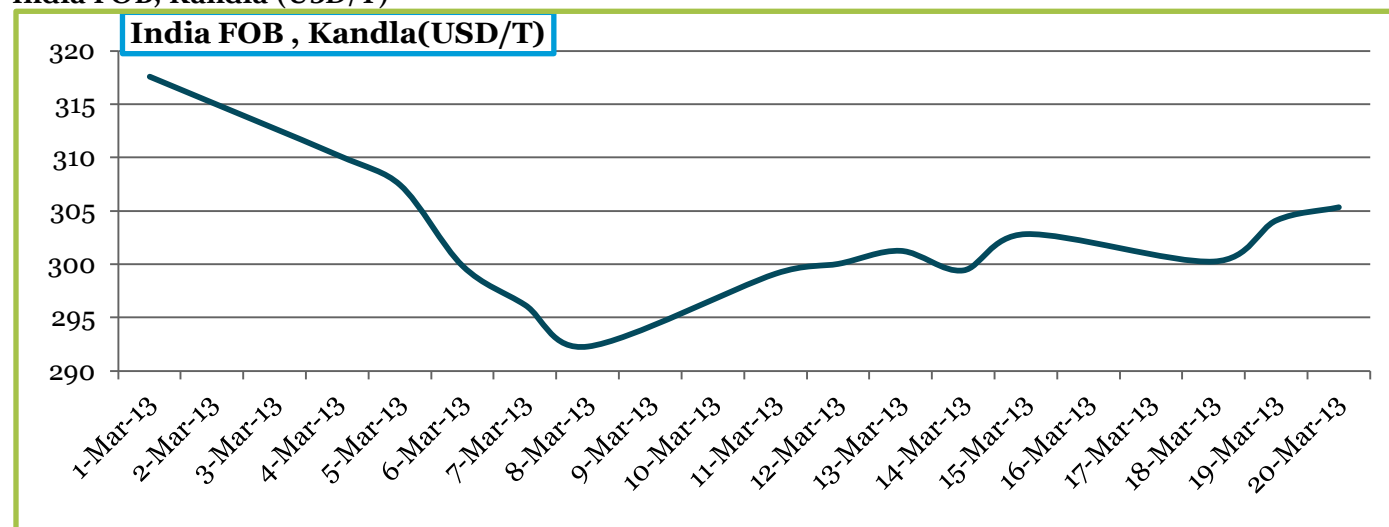
FOB Value as on 023.03.2013 from various destinations at Kandla:

Parity Calculation	Rajkot	Baran/Bundi	Begusarai	Indore	Kosi	MSP	ECO.Cost
Basic cost of wheat (Rs/ton)	15200	14900	15900	15250	15500	13500	19100
Port and Handling Charges /Loading /Unloading /Clearing (Rs/ton)	500	500	500	500	500	500	0
Local transport, port warehousing, labour charges, shortage	500	1150	1900	1450	1550	1200	0
Indian FOB (Rs/MT)	16200	16550	18300	17200	17550	15200	19100
Indian FOB (USD/MT)	298.18	304.62	336.83	316.58	323.03	279.77	351.56
Insurance @ 0.1%	0.30	0.30	0.34	0.32	0.32	0.28	0.35
Freight Charges (US \$/ton) to Chittagong	18	18	18	18	18	18	18
CIF (Kandla to Chittagong)	316	323	355	335	341	298	370
INR	54.33	54.33	54.33	54.33	54.33	54.33	54.33
Russian Wheat FOB (USD/MT)	-	-	-	-	-	-	-
Parity on FOB Basis (USD/MT)	-	-	-	-	-	-	-

Spot Prices of Wheat at NCDEX Delivery Centers(Rs/Q)

	23 Mar, 2013	Week ago 16 Mar 13	Month ago 23 Feb 13	Year ago 23 Mar 2012	Change over previous Year %
Bareilly	1488	1515	1576	1263	17.81
Delhi	1525	1600	1680	1210	26.03
Indore	1583	1579	1597	1291	22.62
Khanna	1679	1662	1686	1378	21.84
Kota	1470	1500	1625	1165	26.18
Kanpur	1440	1510	1520	1411	02.06
Karnal	1550	1550	1623	1239	25.10
Rajkot	1515	1510	1633	1278	18.54

India FOB, Kandla (USD/T)

**Wheat Export Monthly Data:**

	Wheat Export(Lakh T)	Average FOB Kandla Quotes(USD/MT)	CBOT Average Quotes (USD/MT)
Sept 11- Mar 12	7.68	232.12	237.46
Apr-12	1.18	236.89	235.13
May-12	2.57	252.15	236.73
Jun-12	3.45	256.64	245.82
Jul-12	3.35	296.12	318.27
Aug-12	3.95	310.07	328.89
Sep-12	3.55	314.48	326.52
Oct-12	3.75	312.11	317.84
Nov-12	4.26	320.19	317.04
Dec-12	6.42	326.70	299.60
Jan-13	5.12	325.04	282.26
Feb-13	5.82	324.11	270.06
Total for 2012-13	44.08		

Domestic Key Spot Market Price Comparison:

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			23.03.2013	16.03.2013	
Delhi	Lawrence Road	Mill Quality	1585	1570	15
	Nazafgarh	Mill Delivery Loose	1525	1525	Unch
	Narella	Mill Delivery Loose	1525	1520	5
Gujarat	Rajkot	Mill Delivery	1590	1575	15
	Ahmedabad	Mill Delivery	1600	1610	-10

M.P.	Bhopal	Mill Quality Loose (Lokwan Price)	1600	1580	20
	Indore	Mill Delivery	1555	1550	5
Rajasthan	Kota	Mill Quality	1570	1620	-50
U.P.	Kanpur	Mill Delivery	1430	1460	-30
Punjab	Khanna	Mill Quality Loose	1475	1475	Unch
Haryana	Sirsa	Mill Delivery loose	1470	1490	-20

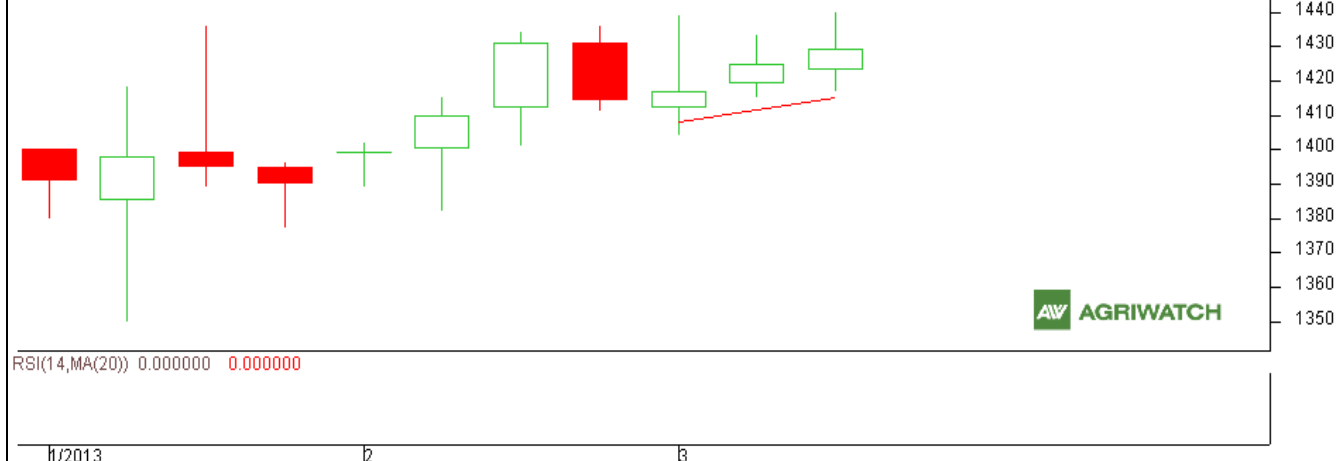
Commodity: Wheat
Contract: May

Exchange: NCDEX
Expiry: 20th May, 2012

Wheat (Weekly Chart)

O 1423.00 H 1440.00 L 1417.00 C 1429.00 V 5,190 I 12,820 +4 +0.28%

EMA(9) 1414.9 (18) 1414.9



Technical Commentary:

- Market is moving sideward and candlestick chart depicts Consolidation.
- Rise in price, Volume and OI hints towards Consolidation.
- Prices closed above 9 and 18 days EMA.

Strategy: Sell from entry level

Intraday Supports & Resistances			S2	S1	PCP	R1	R2
Wheat	NCDEX	May	1397	1406	1429	1445	1455
Intraday Trade Call*			Call	Entry	T1	T2	SL
Wheat	NCDEX	May	Sell	Below 1433	1420	1413	1441

*Do not carry forward the position until the next Week.

Domestic Weekly Outlook: Spot and Future market is expected to trade weak as buyers unwilling to buy at current level unstable in domestic and international market.

International Market Updates:

Pakistan is expected to harvest bumper crop of 26.2 million tonnes wheat in 2013-14 mainly attributed to abundant supplies of phosphate fertilizers and well distributed rains.

As per latest International Grain Council (IGC) report 2012-13 production remains unchanged from previous estimate of 656 million tonnes. Trade has been increased by 1 million tonne to 138 million tonnes from previous estimate due to recent fall in wheat prices across the globe. Carryover stocks have been increased to 177 million tonnes by 1 million tonnes but it is still 20 million tonnes lower year on year basis.

According to IGC, Wheat output is expected to rise by 4% in 2013-14, a recovery in global use will leave little room to rebuild stocks, which are forecast to increase by just 5 million tonnes year on year basis.

In 2013-14 Canadian grain prices are expected to fall by 10-15% due to lower international prices and higher domestic and international production as compared to 2012-13.

According to analysts and trades, Ukraine is likely to raise its grain exports by about 26% to 27 million tonnes in the July 2013-June 2014 season as wheat exports is expected to rise to 8.75 million tonnes from 6.5 million tonnes in 2012-13. Ukraine is expected to produce around 19 million tonnes this year.

CBOT Wheat fell on speculation that a rebound in global output will reduce demand for supplies from the U.S., the biggest shipper. Soft-wheat production in the European Union may rise 2.6 percent to 127.77 million metric tons, the Brussels-based grain- industry lobby Cocal said. SovEcon raised its Russian grain-crop forecast to 84 million to 89 million tons from 80 million to 87 million last month and up from 70.9 million a year ago.

Production in Romania, the bloc's fifth-biggest wheat grower, may jump 23 percent from last year to 6.14 million tons, while output rises 12 percent in Bulgaria and 11 percent in Spain. Parts of the southern and eastern EU had dry weather last year. In the U.K., the third-biggest producer, the crop may slide 10 percent to 11.98 million tons. Wet weather last year prevented farmers from planting some winter crops, the U.K. Agriculture & Horticulture Development Board has said.

IGC Wheat Balance Sheet

(Quantity in MMT)

	2007-08	2008-09	2009-10	2010-11	2011-12 estimated	Million T	Projection for 2012-13
						21.02.2013	21.03.2013
Production	607	685	679	653	696	656	656
Trade	110	137	128	126	145	137	138
Consumption	603	645	652	659	692	677	676
Carryover stocks	132	173	199	193	197	176	177
Y-O-Y change	5	41	27	-6	4	-21	-20
Major Exporters	47	69	79	74	71	50	51

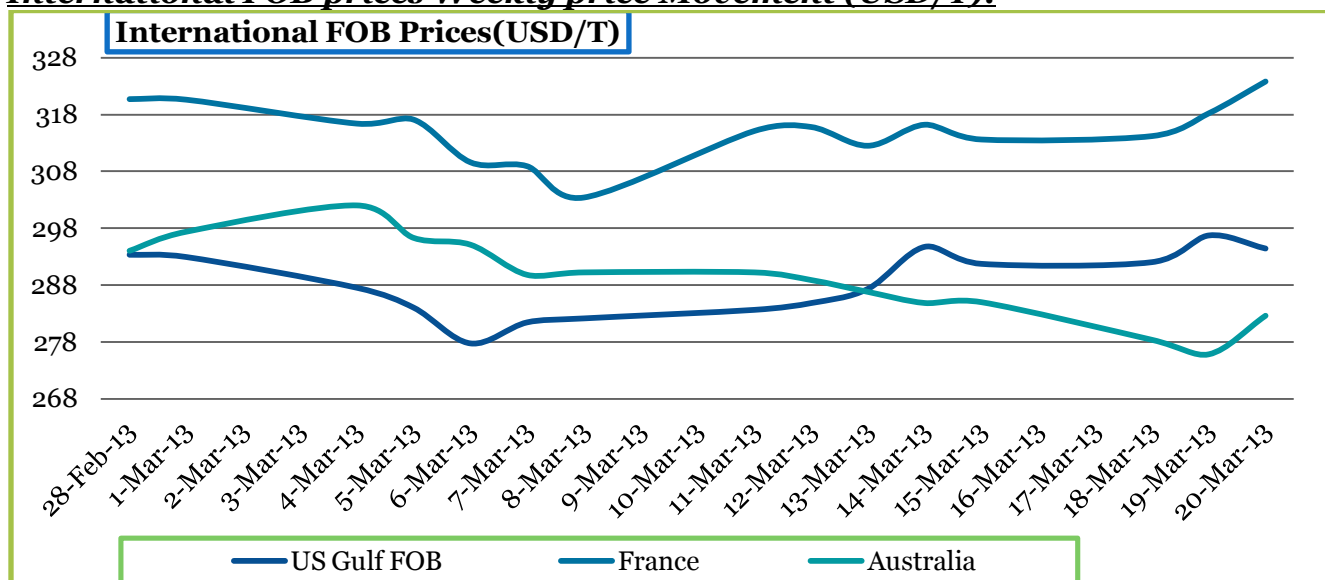
Indicative FOB Quotes:

	Variety	% Change over Prev. Year	20.03.13	Week Ago 13.03.13	Month Ago (February)	3 Months Ago (Dec)	Year Ago (Mar)
USA (Gulf)	SRW 2	9.07	294.50	287.40	303.50	320.40	270.00
France	FCW3	13.22	323.80	312.50	323.90	329.00	286.00
United Kingdom	Feed wheat	9.43	305.30	292.30	312.70	337.00	279.00
Australia	CWRS	3.93	282.69	286.87	287.79	327.80	272.00
Russia	SRW	1.12	272.00	NA	NA	335.00	269.00
Canada(Spot)	Q2FW	15.88	295.60	291.80	292.30	297.00	255.10
Ukraine	SRW	0.93	270.00	NA	NA	332.50	267.50
Argentina	SRW	20.19	312.50	312.50	350.00	360.00	260.00

Global wheat market is expected to trade between USD 290-325/T as slack buying is expected from Middle East and North African nations as they anticipate better domestic crop than last year, however higher corn prices may support wheat prices at lower levels.

CBOT FUTURES CONTRACT:

CONTRACT MONTH	22 Mar 2013	Week ago (15 Mar 2013)	1 Month ago(22 Feb 13)	3 Month ago(24 Dec 12)	6 Month ago(25 Sept 12)	1 Year ago(22 Mar 12)	% Change over previous year
May-13	268.11	265.63	264.07	295.21	332.22	261.04	2.71
July-13	267.93	264.99	265.81	297.69	316.15	260.85	2.71
Sept-13	270.04	267.01	269.12	302.37	316.79	264.07	2.26
Dec-13	274.17	271.51	274.26	306.87	319.64	269.49	1.74
Mar-14	278.58	276.01	278.58	310.36	321.75	272.70	2.16
May-14	278.95	276.56	278.49	309.72	314.95	275.37	1.30

CBOT May 13 Future Contract Chart:**International FOB prices Weekly price Movement (USD/T):****International Weather update: (Source-USDA)**

Argentina- Beneficial rain returned to farming areas of central Argentina and the northwest, boosting moisture for immature summer crops. Rainfall totaled 25 to 50 mm over a large area extending from northwestern Buenos Aires to Salta and drier conditions prevailed in Entre Rios and central Santa Fe, where rainfall totaled below 25 mm, as well as in La Pampa and southern Buenos Aires, where amounts were below 10 mm.

Russia and Ukraine – Much-needed rain (10-50 mm) provided soil moisture for winter wheat in Crimea, Ukraine, and Russia's Southern District following an unfavorably dry autumn and winter.

Australia- In southern Queensland and northern New South Wales, warm, mostly dry weather favored cotton and sorghum maturation and harvesting. Temperatures in major summer crop areas averaged near to below normal (up to 2°C below normal), with maximum temperatures generally in the upper 20s to middle 30s degrees C.

North West Africa-Mostly cool, showery weather prevailed across the region. A slow-moving Mediterranean storm produced moderate to heavy showers (10-80 mm) from Morocco into Algeria and Tunisia, boosting soil moisture for reproductive (west) to vegetative (east) winter.

International Weekly Outlook: International Future and Spot market is expected to trade range bound between USD 275-265/T.

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