

Domestic Market Updates:

Wheat market continued to reel under pressure on expectation of better supply side in the weeks ahead on the back of bumper crop prospects and with harvesting activities being round the corner in the north Indian states. Despite procurement with bonus in Rajasthan, Uttar Pradesh and Madhya Pradesh by the govt.'s agencies pressure on cash wheat market is likely to continue.

Recent rains and cool temperature have delayed harvesting in Punjab and Haryana by a week. No major damage to the crop has been reported so far and we expect bumper production once again at around 93 million T. However, continuous rain may discolor grains of the crop ready to be harvested.

Wheat production in Punjab is expected to touch at 161.50 lakh tonne. The govt. has set procurement target at 140 lakh tonne. Wheat production in Haryana may touch 124 lakh tonne while the state has set the production target at 86 lakh Tonne.

M.P. is targeting a procurement of 11.5 million tonnes up from 8.5 million tonnes procures last year. Since the commencement of first phase of procurement in M.P, government agencies have procured 2.6 lakh tonnes wheat from Ujjain, Indore, Hoshangabad and Bhopal. In Uttar Pradesh, the arrivals have begun to trickle in Agra, Gonda and Shahjahanpur mandis.

Indian Firm Amira Pure foods has made lowest offer to Bangladesh government's Wheat Tender of USD 313.65/T CNF basis for 50,000 MT to delivered within 40 days of signing contract. Amira's offer is 1.7% lower than the lowest offer of USD 319/T from Korea's J-One Co. Ltd. in a similar tender issued late last month.

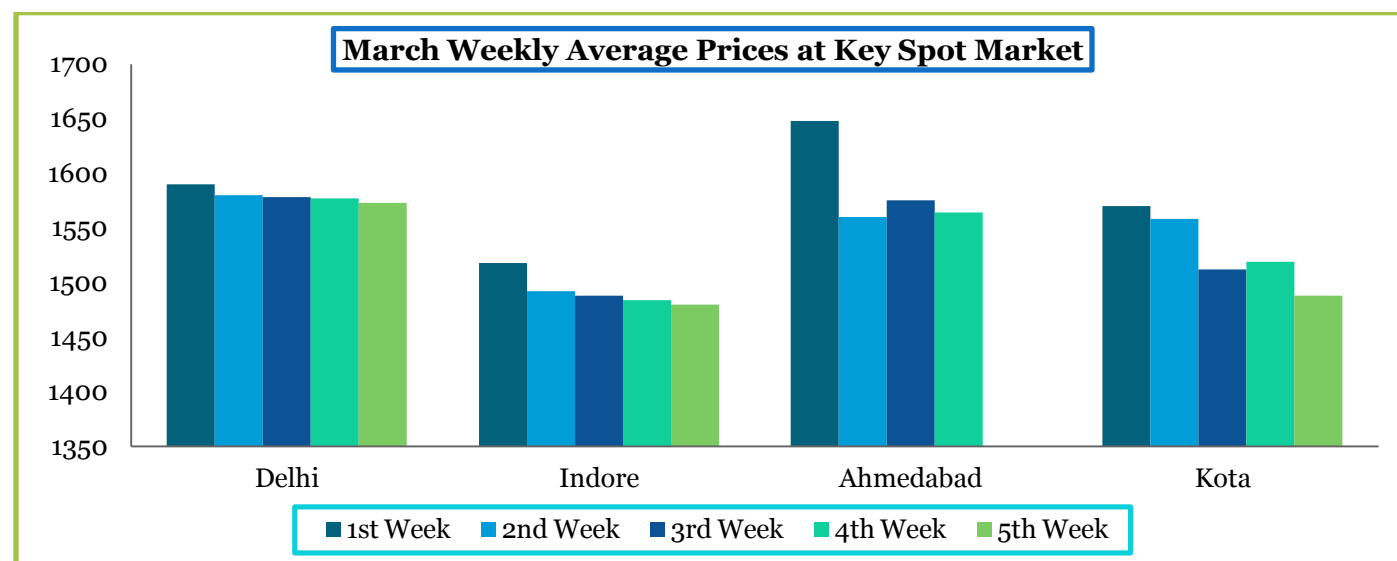
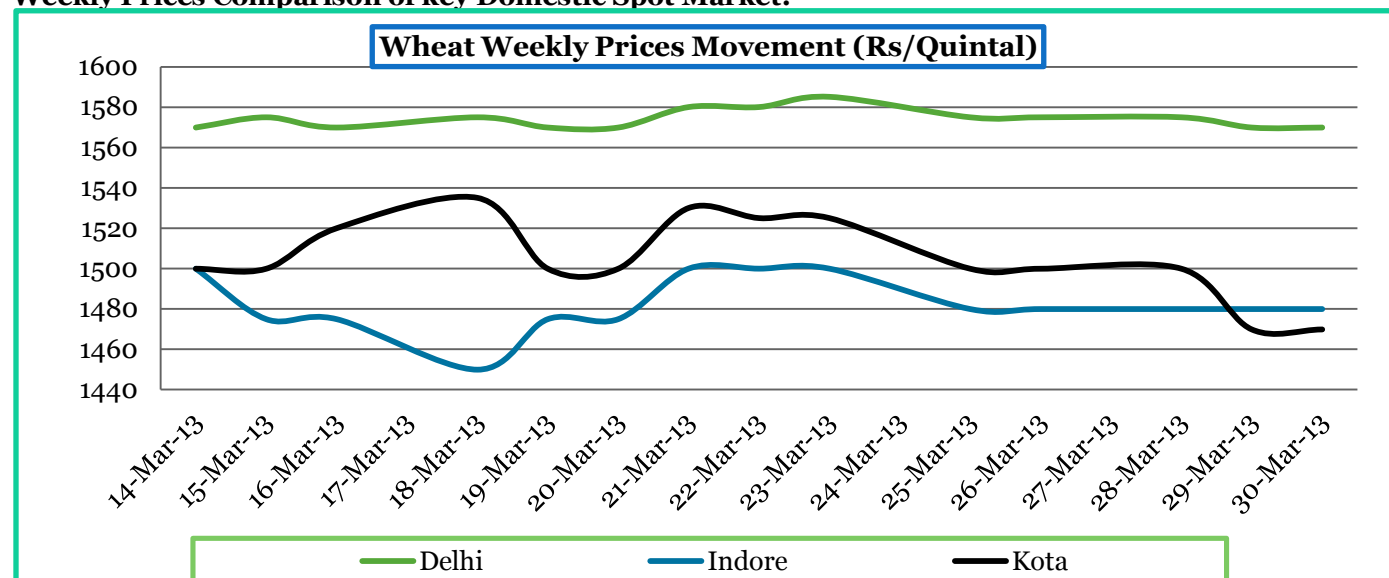
Wheat quality in Gujarat is poor in comparison to last year and exporters are unwilling to buy it. Lower production and poor quality there remains discouraging factor and only local traders are buying wheat at Rs1425-1450/Q. Millers from Gujarat are not buying from Rajasthan due to disparity. FOR Kandla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

During the week, PEC received highest bid of USD 306/T, USD 305/T and USD 301/T from Glencore for 80,000 tonne wheat export tender, from Concordia for 50,000 MT and from Emmsons Gulf for 70,000 respectively. STC has received the highest bid from Dubai based Emmsons at USD 302/T for 30,000 MT of Indian milling wheat for shipment by 30 April.

Weather Watch:

- Cumulative rainfall for March was excess in 9 and deficient/scanty in 24 and no rain in 3 out of 36 meteorological sub-divisions. (All India Actual: 13.4 mm, Normal: 26.9 mm and Departure: -50%).
- Forecast for next week is fresh western disturbance would affect western Himalayan region from 1st April onwards. Rain/thundershowers would occur at south peninsular India during and North East India.

Weekly Prices Comparison of key Domestic Spot Market:



Prices remained steady during the week under review due to lackluster trade. Prices are expected to fall further in the week ahead as arrivals will pick pace in Rajasthan and Madhya Pradesh. Punjab, Haryana and Uttar Pradesh will further pressurize spot market as harvesting begins in week ahead.

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)

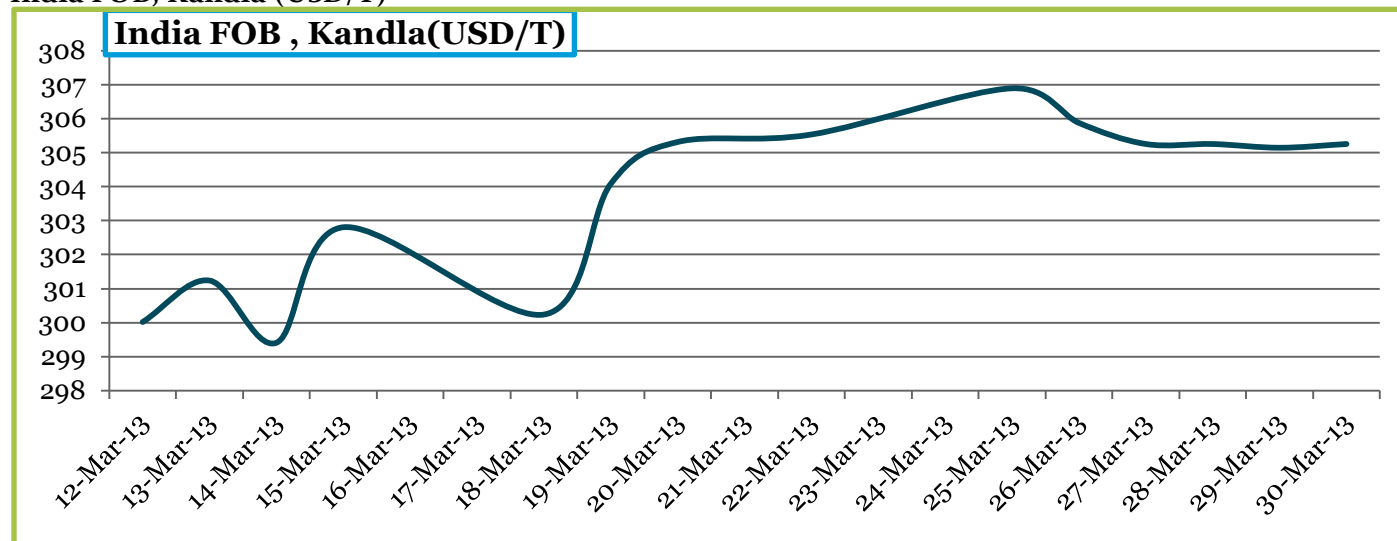
FOB Value as on 30.03.2013 from various destinations at Kandla:

Parity Calculation	Rajkot	Baran/Bundi	Begusarai	Indore	Kosi	MSP	ECO.Cost
Basic cost of wheat (Rs/ton)	15700	15750	15900	14500	14800	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)	16700	17400	18300	16450	16850	15200	19100
Indian FOB (USD/MT)	307.10	319.97	336.52	302.50	309.86	279.51	351.23
Insurance @ 0.1%	0.31	0.32	0.34	0.30	0.31	0.28	0.35
Freight Charges (US \$/ton) to Chittagong	18	18	18	18	18	18	18
CIF (Kandla to Chittagong)	325	338	355	321	328	298	369
INR	54.38	54.38	54.38	54.38	54.38	54.38	54.38
Russian Wheat FOB (USD/MT)	-	-	-	-	-	-	-
Parity on FOB Basis (USD/MT)	-	-	-	-	-	-	-

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

	30 Mar, 2013	Week ago 23 Mar 13	Month ago 28 Feb 13	Year ago 30 Mar 2012	Change over previous Year %
Bareilly	1455	1488	1550	1233	18.00
Delhi	-	1525	1680	1210	-
Indore	1576	1583	1595	1276	23.51
Khanna	1646	1679	1687	1381	19.19
Kota	-	1470	1600	1135	-
Kanpur	1550	1440	1515	1417	9.39
Karnal	-	1550	1624	-	-
Rajkot	1500	1515	1629	1255	19.52

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
Mar-13*	5.78	303.64	262.31
Total for 2012-13	49.86		

*Tentative figures

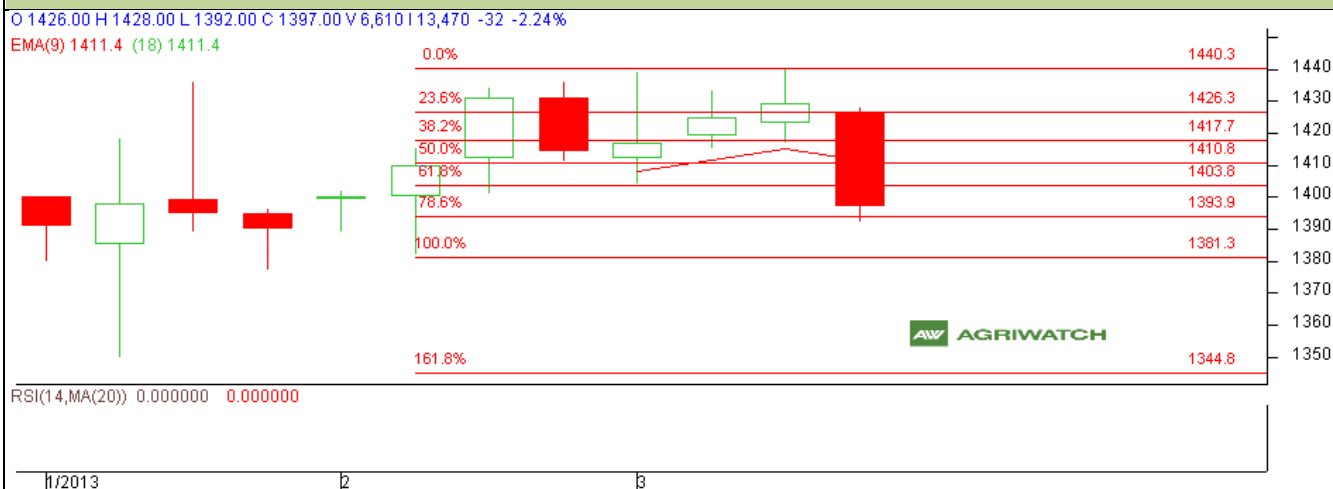
Domestic Key Spot Market Price Comparison:

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			30.03.2013	23.03.2013	
Delhi	Lawrence Road	Mill Quality	1570	1585	-15
	Nazafgarh	Mill Delivery Loose	1500	1525	-25
	Narella	Mill Delivery Loose	1520	1525	-5
Gujarat	Rajkot	Mill Delivery	NA	1590	-
	Ahmedabad	Mill Delivery	NA	1600	-
M.P.	Bhopal	Mill Quality Loose (Lokwan Price)	NA	1600	-
	Indore	Mill Delivery	1480	1525	-45
Rajasthan	Kota	Mill Quality	1470	1525	-55
U.P.	Kanpur	Mill Delivery	1475	1475	Unch
Punjab	Khanna	Mill Quality Loose	1475	1475	Unch
Haryana	Sirsa	Mill Delivery loose	1475	1470	5

Commodity: Wheat
Contract: May

Exchange: NCDEX
Expiry: 20th May, 2012

Wheat (Weekly Chart)



Technical Commentary:

- Market is moving sideward and candlestick chart depicts Consolidation.
- Fall in price but rise in Volume and OI hints towards Short Buildup.
- Prices closed above 9 and 18 days EMA.

Strategy: Sell from entry level

Intraday Supports & Resistances			S2	S1	PCP	R1	R2
Wheat	NCDEX	May	1350	1365	1397	1419	1440
Intraday Trade Call*			Call	Entry	T1	T2	SL
Wheat	NCDEX	May	Sell	Below 1400	1380	1370	1412

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

Domestic Weekly Outlook: Spot and Future market is likely to trade under pressure due to seasonal factors like arrivals.

International Market Updates:

CBOT wheat market dipped considerably (6.7 %) on Friday as US government expects higher supply than previous estimate. The US agriculture department has estimated wheat stock at 1.235 billion bushel as on 1st March 2013, higher than previous estimate at 1.177 billion bushel. US wheat planting area exceeds expectation.

Malaysian Flour Millers have bought 50,000 MT Australian Wheat for June delivery. Australian Prime hard wheat with 13% protein was bought at USD 360/Tonne CNF and Australian prime wheat at USD 350/Tonne CNF. Major wheat buyers are refraining from purchases as they are waiting for US stock position. Australian Wheat was offered at USD 370.55/T on CNF basis, which is lowest price for 50,000 MT Wheat tender issued by Iraq.

South Korean feed maker Nonghyup Feed Inc. has bought 62,000 tonnes of feed wheat from Quadra Commodities at USD 296.89/Tonnes CNF.

Egypt has not been active in International wheat market as its foreign reserves are critically low. As of now Egypt has 85 days wheat in stock and it will start procuring 4.5 million tonnes domestic wheat crop from 1 April and . It is expected that this year Egypt will produce around 9.5 million tonnes domestic wheat crop.

Ukraine is expected to produce around 21 million tonnes wheat this year in 65 lakh hectares area with 3.21 tonnes per hectare yield. Last year Ukraine produced 14.2 million tonnes wheat last year due to severe draught.

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.

IGC Wheat Balance Sheet

(Quantity in MMT)

	2007-08	2008-09	2009-10	2010-11	2011-12 estimated	Million T	Projection
						21.02.2013	for 2012-13 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	27.03.13	Week Ago 13.03.13	Month Ago (February)	3 Months Ago (Dec)	Year Ago (Mar)
USA (Gulf)	SRW 2	8.23	293.30	294.50	290.90	317.70	271.00
France	FCW3	13.61	327.20	323.80	326.50	331.30	288.00
United Kingdom	Feed wheat	8.36	303.40	305.30	307.00	332.40	280.00
Australia	CWRS	11.16	274.56	282.69	292.40	321.60	247.00
Russia	SRW	1.12	272.00	272.00	NA	335.00	269.00
Canada(Spot)	Q2FW	16.57	296.20	293.80	300.30	301.50	254.10
Ukraine	SRW	0.93	270.00	270.00	NA	332.50	267.50
Argentina	SRW	26.46	325.00	312.50	370.00	360.00	257.00

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.

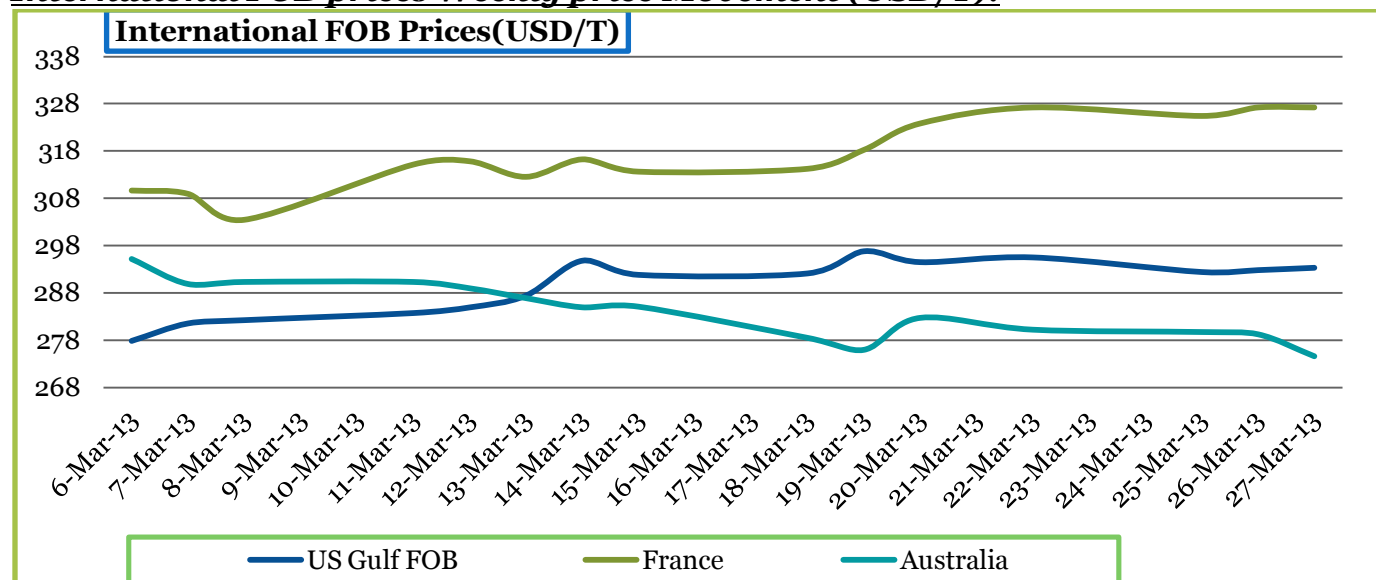
CBOT FUTURES CONTRACT:

CONTRACT MONTH	28 Mar 2013	Week ago (20 Mar 2013)	1 Month ago(27 Feb 13)	3 Month ago(27 Dec 12)	6 Month ago(27 Sept 12)	1 Year ago(27 Mar 12)	% Change over previous year
May-13	252.68	270.41	261.59	287.40	319.73	261.86	-3.51
July-13	253.87	269.67	262.69	290.61	307.05	261.59	-2.95
Sept-13	256.90	271.60	266.09	295.21	307.88	264.53	-2.88
Dec-13	262.05	275.64	271.42	299.98	311.10	270.04	-2.96
Mar-14	266.92	280.14	276.10	304.12	313.21	272.24	-1.96
May-14	267.83	280.42	276.28	304.02	306.41	275.83	-2.90

CBOT May 13 Future Contract Chart:



International FOB prices Weekly price Movement (USD/T):



International Weather update: (Source-USDA)

Argentina- Following last week's rain, cool, dry weather dominated much of Argentina. Weekly temperatures averaged 2 to 3°C below normal throughout the main agricultural districts of central and northern Argentina, slowing growth and maturation of summer grains, oilseeds and cotton.

Russia and Ukraine – Showers boosted soil moisture for winter wheat in Ukraine and in Russia's Southern District following an unfavorably dry autumn and winter. Late season winter storm produced moderate to heavy rain and snow from southern Belarus and northern Ukraine into central Russia, boosting moisture reserves for dormant winter crops.

Australia- Weak disturbance produced showers and thunderstorms late in the week, likely disrupting fieldwork but helping condition top soils in advance of winter wheat planting. Winter wheat planting typically begins in mid-April in central Queensland. Elsewhere in Australia, the bulk of the wheat crop is normally planted during May and June.

North West Africa-Widespread showers maintained favorable soil moisture and excellent yield prospects for winter wheat. Rain was heaviest in Morocco, where 10 to 80 mm maintained abundant to locally excessive soil moisture for reproductive (south) to vegetative (north) wheat. Scattered showers (2-30 mm) favored vegetative winter grains in Algeria and Tunisia.

International Weekly Outlook: International Future and Spot market is expected to trade weak as US has more than expected ending stocks, MENA region countries are expecting better harvest.

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