

Domestic Market Updates:

In Haryana, around 35-40% wheat crop has been harvested. As per traders wheat crop in Karnal and Panipat region is expected to be 8-10% lesser than last year due to fall in yield by 5-6 Quintal per Acre. Hodal region wheat is bought by millers in Gujarat at Rs 1600/Q, mill delivered and Maharashtra at Rs 1700/Q mill delivered.

U.P origin wheat is bought traders in West Bengal, Tamil Nadu and Maharashtra from Kanpur and Mathura region. Traders of Maharashtra and Gujarat are buying at Rs 1750/Q delivered from Madhya Pradesh.

With rising temperature and increased threshing activities arrivals from newly harvested crop has increased considerably in major wheat growing states like Punjab, Haryana, Uttar Pradesh and Bihar. Harvesting activities in Madhya Pradesh, Rajasthan and Gujarat are nearing to an end now.

Private players including MNCs' (ITC, Emmsons International and Cargill) are buying wheat from Uttar Pradesh due to cheaper availability there. Wheat is available here in the range of Rs 1300 to 1450 per Q, depending on quality and moisture level.

Sourcing wheat from other states is not viable from export point of view. M.P. wheat costs Rs 1750 per Q on delivered basis Kandla. Even Rajasthan wheat too is not very attractive due to higher price (Rs 1550 to Rs 1600 per Q) on delivered basis Kandla.

Offtake (old stock) from central pool for export from Punjab and Haryana at Rs 1485 per Q is expected to remain slow in April and May due to ample availability in U.P. and lower quotes in the global market. We expect higher offtake July onward when wheat market starts getting firmer.

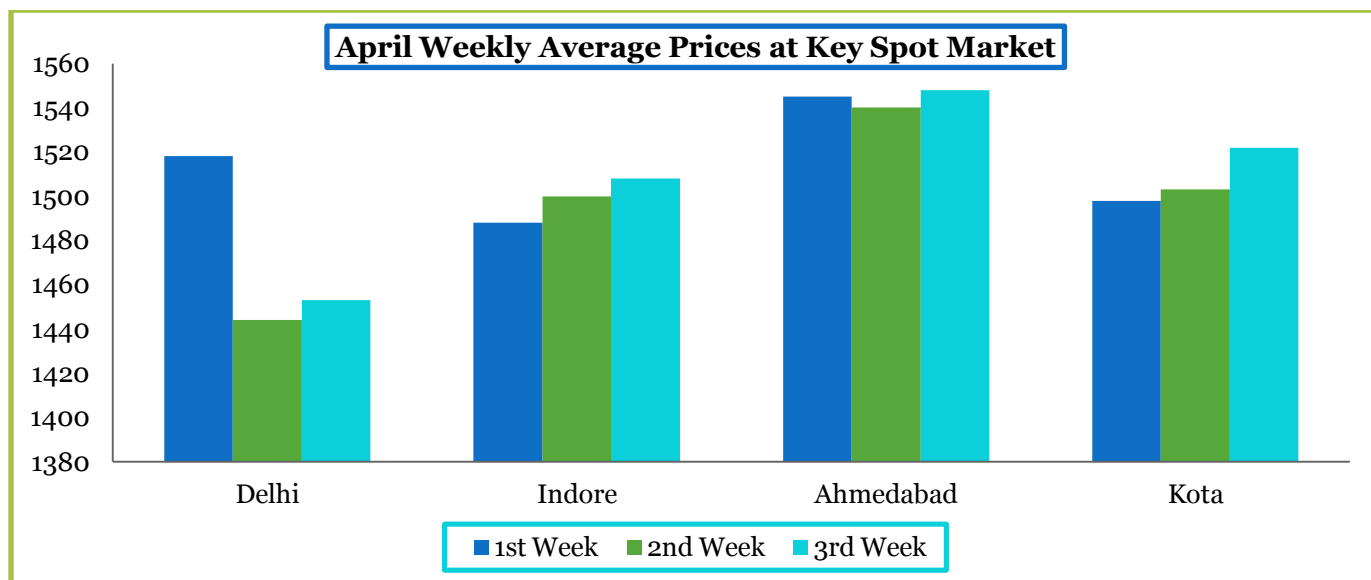
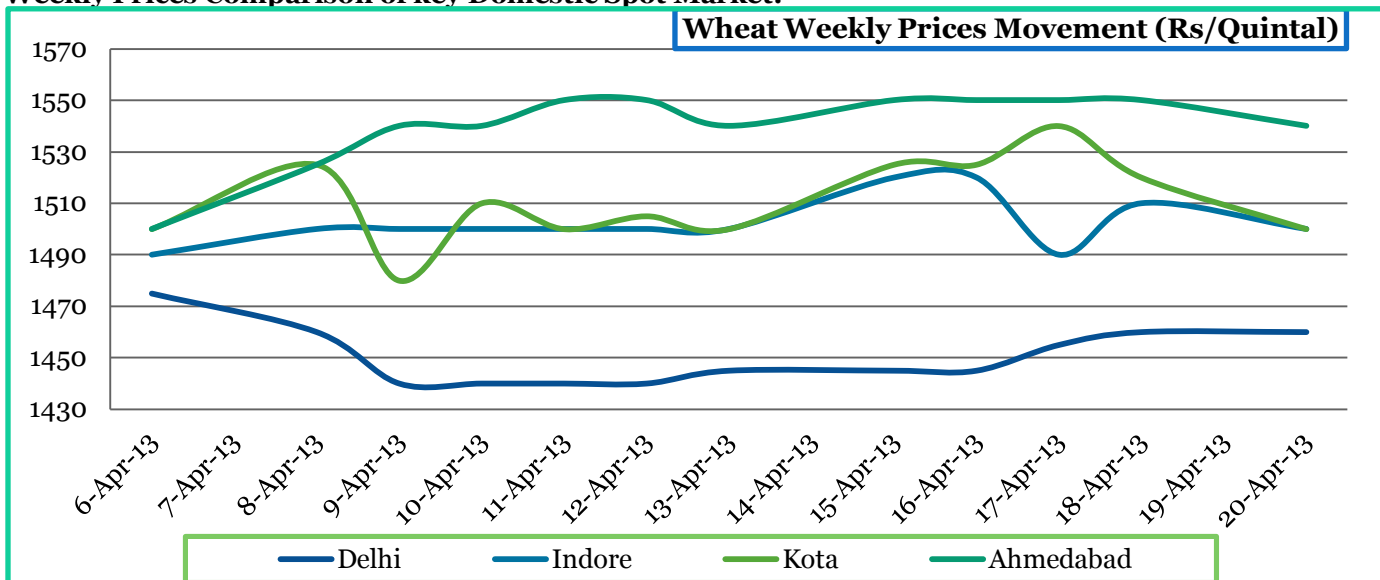
The difference between Indian FoB quote and Black Sea Region is widening and is almost \$30 to 35 Per tonne and it encourage Indian exporters to stay away from market. Indian FoB comes around \$310 to 315 against Black Sea region quote around \$270-275 per T. Gujarat's local wheat is cheaper but availability is lower, its FoB comes around \$305 per T.

Wheat inflation in March, 2013 was 19.87% which is lower than February's 21.63%. WPI has fallen from 206.9 in February to 206.3 in March. Inflation is expected to fall further in April due to new crop arrivals.

Weather Watch:

- Rainfall was excess/normal in 9, deficient/scanty in 24 and no rain in 3 out of 36 meteorological sub-divisions. (All India Actual: 27.6 mm, Normal: 50.4 mm and Departure: -45%).
- Forecast for next week is rain/thundershowers would occur at a few places over eastern and north eastern states and rain/thundershowers would occur at one or two places over extreme south peninsular India during a few days of the week.
- A fresh western disturbance would affect western Himalayan region from 24th April.

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



Prices remained firm during the week as fresh purchases were made by millers and exporters moreover, expectations of bonus over MSP too has pushed market towards north.

STOCKS OF FOODGRAINS IN CENTRAL POOL AS ON 01.04.2013:	IN STORAGE	IN TRANSIT	TOTAL
RICE	350.57	4.11	354.68
WHEAT	239.30	2.77	242.07
Wheat lying in Mandies	0.00	0.00	0.00
TOTAL	589.87	6.88	596.75
COARSE GRAINS	0.83	0.00	0.83
SUGAR	0.26	0.05	0.31
GRAND TOTAL	590.95	6.93	597.88

(Figures in Lakh Tonnes)

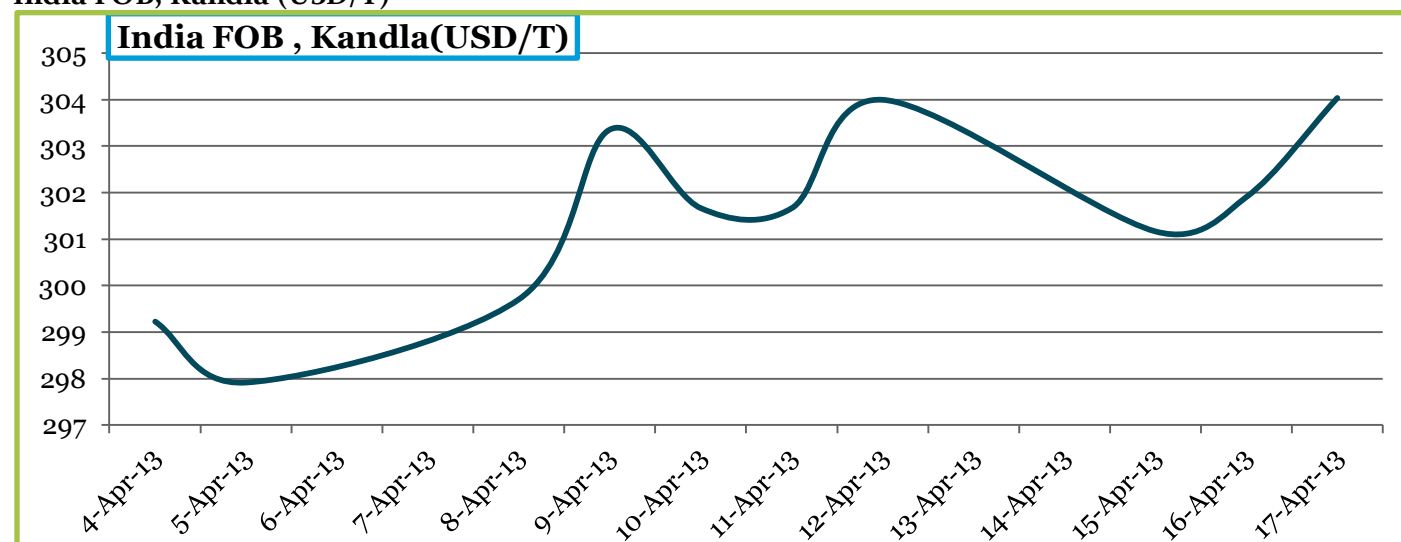
FOB Value as on 20.04.2013 from various destinations at Kandla:

Parity Calculation	Rajkot	Baran/Bundi	Begusarai	Indore	Kosi	MSP	ECO.Cost
Basic cost of wheat (Rs/ton)	15300	15000	13650	14700	13800	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)	16300	16650	16050	16650	15850	15200	19100
Indian FOB (USD/MT)	299.41	305.84	294.82	305.84	291.15	279.21	350.84
Insurance @ 0.1%	0.30	0.31	0.29	0.31	0.29	0.28	0.35
Freight Charges (US \$/ton) to Chittagong	18	18	18	18	18	18	18
CIF (Kandla to Chittagong)	317	324	313	324	309	297	369
INR	54.44	54.44	54.44	54.44	54.44	54.44	54.44
Russian Wheat FOB (USD/MT)	268.5	268.5	268.5	268.5	268.5	268.5	268.5
Parity on FOB Basis (USD/MT)	-31	-37	-26	-37	-23	-11	-82

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

	20 Apr, 2013	Week ago 13 Mar 13	Month ago 20 Mar 13	Year ago 13 Apr 2012	Change over previous Year %
Bareilly	1500	1493	1538	-	-
Delhi	1480	1450	1550	1230	20.33
Indore	1460	1445	1582	1295	12.74
Khanna	1535	1597	1682	1463	4.92
Kota	1425	1425	1490	1170	21.79
Kanpur	1386	1445	1510	1430	-3.08
Karnal	1548	1541	1543	1265	22.37
Rajkot	1533	1518	1550	1243	23.33

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	4.53	310.07	328.89
Sep-12	5.75	314.48	326.52
Oct-12	5.87	312.11	317.84
Nov-12	5.53	320.19	317.04
Dec-12	6.42	326.70	299.60
Jan-13	5.63	325.04	282.26
Feb-13	5.88	324.11	270.06
Mar-13	6.82	303.64	262.31
Total for 2012-13	56.98		

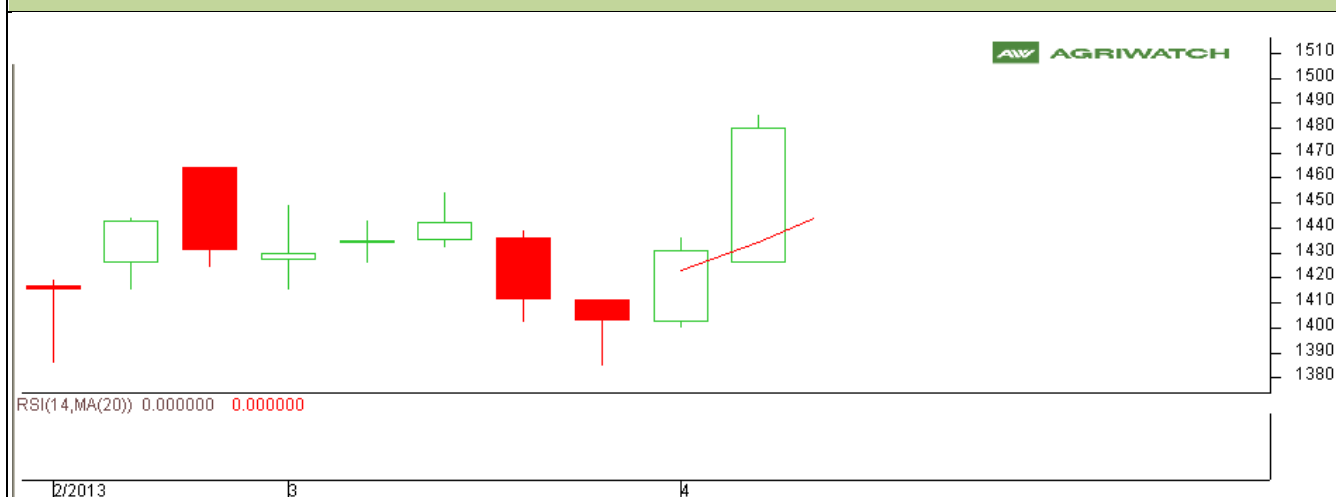
Domestic Key Spot Market Price Comparison:

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			20.04.2013	13.04.2013	
Delhi	Lawrence Road	Mill Quality	1460	1445	15
	Nazafgarh	Mill Delivery Loose	1430	1375	55
	Narella	Mill Delivery Loose	1430	1380	50
Gujarat	Rajkot	Mill Delivery	1540	1540	Unch
	Ahmadabad	Mill Delivery	1600	1590	10
M.P.	Bhopal	Mill Quality Loose (Lokwan Price)	1600	1625	-25
	Indore	Mill Delivery	1500	1500	Unch
Rajasthan	Kota	Mill Quality	1435	1400	35
U.P.	Kanpur	Mill Delivery	1375	1320	55
Punjab	Khanna	Mill Quality Loose	1355	1355	Unch
Haryana	Sirsa	Mill Delivery loose	1350	1350	Unch

Commodity: Wheat
Contract: June

Exchange: NCDEX
Expiry: 20th June, 2012

Wheat (Weekly Chart)



Technical Commentary:

- Market is moving upward and candlestick chart depicts bullishness.
- Rise in OI and price hints towards Long Buildup.
- Prices closed above 9 and 18 days EMA.

Strategy: Buy from entry level

Intraday Supports & Resistances			S2	S1	PCP	R1	R2
Wheat	NCDEX	June	1463	1470	1480	1520	1535
Intraday Trade Call*			Call	Entry	T1	T2	SL
Wheat	NCDEX	June	Buy	Above 1485	1500	1512	1475

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

Domestic Weekly Outlook: Spot and Future market is likely to trade firm as millers, exporters and stockiest are active in market. Expectation of bonus above MSP in Punjab and Haryana might push market up.

International Market Updates:

Tunisia has bought 50,000 MT of soft wheat in two tenders of 25,000 MT each. First purchase was made at USD 325/T CNF, for shipment from 10-20 June and Second purchase was made at USD 330/T, CNF to be shipped between 1-10 June.

According to Egypt's Agriculture Minister Salah Abdel Momen, Egypt's wheat crop is estimated around 10 million tonnes as harvesting has started. However USDA sees Egypt wheat crop at 8.7 million tonnes which is 2.3% increase from previous year estimate. GASC normally imports around 10 million tonnes wheat a year but this year they are likely to import 5-6 million tonnes and rest will be procured from domestic production.

Wheat planting has started in Australia but moisture is poor in soil. ABARES expects around 24.9 million tonnes wheat crop this year as compared to 22.07 million tonnes last year.

According to Buenos Aires Grain Exchange, Argentina is expected to plant 3.9 million hectares wheat this year as compared to 3.6 million hectares last year as government export oriented policy is helping farmers to receive better remuneration for their crops.

Russian government intervened and sold wheat in domestic market from its stock to control wheat price rise after its wheat crop was reduced to three fourth due to severe drought. However, domestic prices have been falling since February and now government may cut its sales.

As per USDA latest report, US ending stocks are projected 15 million bushels higher, as weak demand is seen from feed industry and world wheat ending stocks are projected at 182.26 million tonnes as compared to 178.23 million tonnes in previous report.

As per reports from USDA Egypt wheat output is expected to rise from 8.5 million tonnes in 2012-13 to 8.7 million tonnes in 2013-14 and Morocco's wheat production is likely to increase from 3.87 million tonnes to 5.9 million tonnes. This rise in wheat output is mainly attributed to better rains.

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	17.04.13	Week Ago 10.04.13	Month Ago (March)	3 Months Ago (Jan)	Year Ago (Apr)
USA (Gulf)	SRW 2	13.89	287.00	278.10	292.10	320.30	252.00
France	FCW3	13.55	325.90	323.90	314.20	330.30	287.00
United Kingdom	Feed wheat	8.04	303.60	305.70	295.10	340.80	281.00
Australia	CWRS	21.60	299.13	278.57	278.46	320.30	246.00
Russia	SRW	0.37	270.00	282.00	272.00	335.00	269.00
Ukraine	SRW	0.37	268.50	280.00	270.00	332.50	267.50
Argentina	SRW	25.00	315.00	320.00	325.00	360.00	252.00

Global wheat market is expected to trade between USD 290-330/T in the week ahead as fresh buying at lower levels will support market and cold weather threatens US wheat crop.

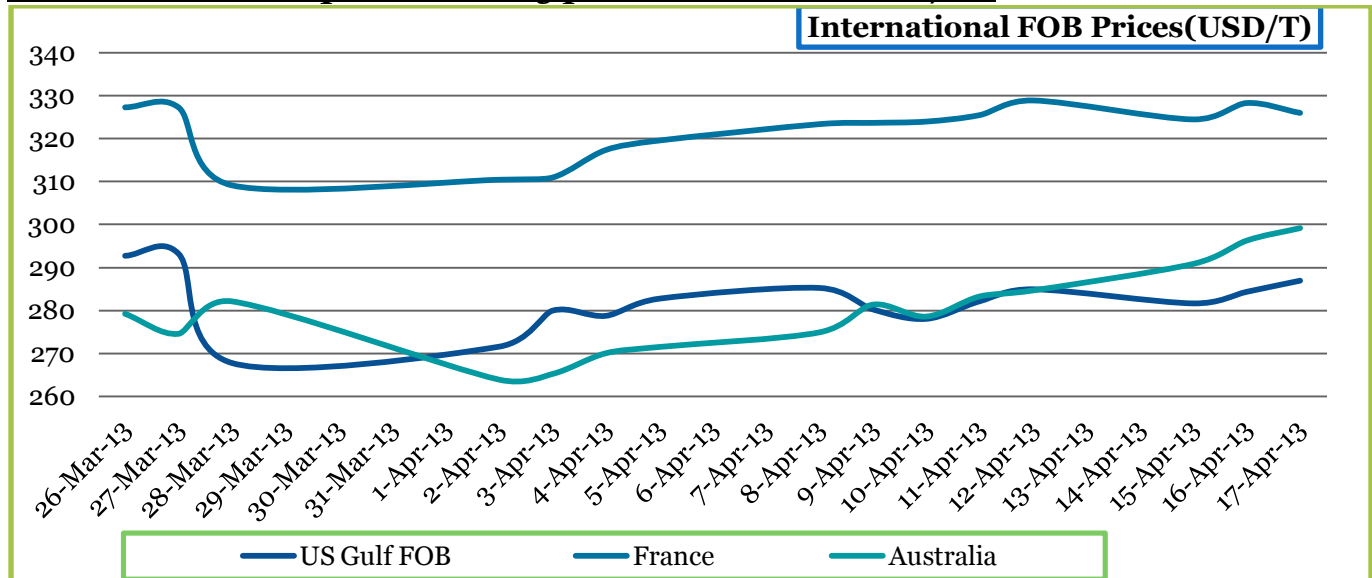
CBOT FUTURES CONTRACT:

CONTRACT MONTH	19 Apr 2013	Week ago (12 Apr 2013)	1 Month ago (19 Mar 13)	3 Month ago (22 Jan 13)	6 Month ago (19 Oct 12)	1 Year ago (19 Apr 12)	% Change over previous year
May-13	260.49	262.60	265.26	289.69	325.79	254.98	2.16
July-13	261.41	264.34	264.80	291.44	311.65	257.55	1.50
Sept-13	263.79	266.46	266.92	295.21	313.02	261.13	1.02
Dec-13	268.75	271.42	271.32	300.44	316.06	266.82	0.72
Mar-14	273.53	276.38	276.01	304.67	318.17	268.29	1.95
May-14	275.09	278.49	276.84	305.13	308.89	271.05	1.49

CBOT May 13 Weekly Future Chart:



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



International Weather update: (Source-USDA)

Argentina- Weather was drier as compared to previous week in grain and Oilseed growing regions. Last week's heavy rain, rainfall totaled 5 to 25 mm in major production areas of La Pampa, Buenos Aires, and Cordoba. Similar amounts were recorded in southern sections of Santa Fe, but wet weather (25-100 mm) dominated the northeast.

Russia and Ukraine – Cold weather persisted in northern crop areas, while mild conditions in southern portions of Russia and Ukraine promoted winter crop development. Warmer than normal conditions in the Southern District of Russia promoted winter grain development and encouraged spring grain emergence. Light to moderate rain across much of the region sustained favorable soil moisture for crop development after a wet March.

Australia- Weather remained mainly dry and hot in Australia. Temperatures in southern Queensland and northern New South Wales were generally seasonable, averaging within about 1°C of normal with maximum temperatures in the 20s degrees C.

North West Africa- After heavy rains in past week sky remained mostly clear and favorable for grains growth. Soil moisture was adequate to abundant for vegetative to reproductive winter grains in Algeria and Tunisia.

International Weekly Outlook: International Future and Spot market is expected to trade firm as winter threatens US wheat crop and fresh buying will supported markets at lower levels.

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