

Domestic Market Updates:

No exports are taking place from Gujarat due to no parity and small/bulk traders has shifted their business to rice exports due to better margins and good international demand for Indian rice.

U.P this year has been drastically lagging behind in wheat procurement target by 86%. So far 6.83 lakh tonnes wheat has been procured against 48.76 lakh tonnes last year at the same time. This year procurement target of 60 lakh tonnes will be missed by at least 89% as private traders and exporters bought above MSP during procumbent season. However supply side will remain comfortable due to government's huge carry in stocks and poor exports.

250.84 lakh tonnes wheat has been procured by government agencies as on 27th June against 375.26 lakh tonnes previous year at the same time. Procurement has been poor due to lower production and private traders offering prices above MSP.

As per traders Wheat is reaching South Indian markets from Rajasthan and Madhya Pradesh at 1800-1950/Q. Local demand has been steady in M.P and Rajasthan. Dull trading activities have been witnessed in major Mandis of M.P owing to persistent rains.

In Delhi wheat is being imported from Haryana and U.P west region. Traders are buying wheat in U.P for exports to Bangladesh, however purchase prices have not been revealed. No export purchases have been reported from Gujarat and Rajasthan.

Out of 10 million T 8.5 million tons of wheat to bulk buyers at a base prices of Rs 15,000 a ton. Traders would receive wheat through bidding process. The remaining 1.5 million tons will be offered to state governments, small traders and cooperatives at the base price. The cabinet is expected to consider a plan to sell 7.5 million tons of wheat and rice to the poor at subsidized rates next week.

Market participants believe that wheat prices will trade range bound/steady for till September and they see uptrend October onwards as impact of lower crop production will be visible by that time, as of now ease in demand side has restricted uptrend in the prices.

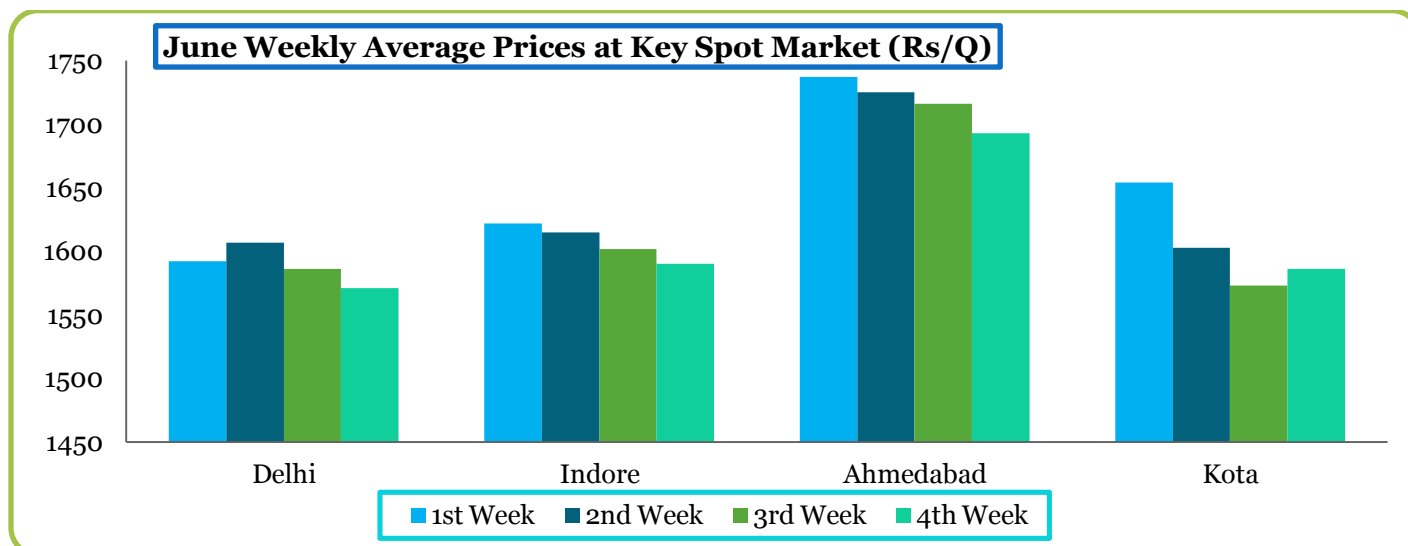
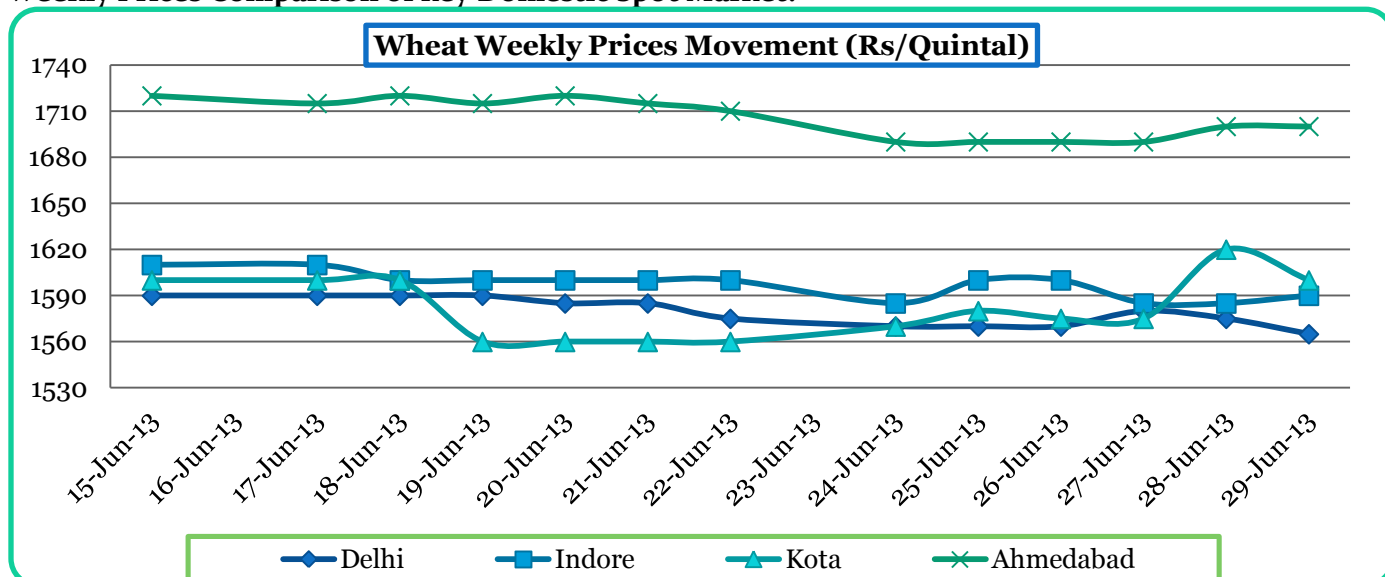
Weather Watch: (Source-IMD)

Seasonal rainfall (in mm) from 1 st June to 29 th June, 2013			
Region	Actual	Normal	% Departure from LPA
East and North East India	211.7	335.6	-37%
North West India	142.9	64.3	122%
Central India	269.8	155.4	74%
South Peninsula	206.6	151.7	36%
All India	209.1	155.4	35%

Weather Outlook for 3-7 July 2013:

- Rain/thundershowers would occur at many places over Himachal Pradesh, Uttarakhand, central India, west coast and eastern & northeastern states, Punjab, Haryana & Delhi and Andaman & Nicobar Islands. Rain/thundershowers would occur at a few places over Rajasthan.

Weekly Prices Comparison of key Domestic Spot Market:



Prices have fallen at key spot markets owing to dull buying and continuous rains hampering market arrivals and trade.

STOCKS OF FOODGRAINS IN CENTRAL POOL AS ON 01.06.2013:	IN STORAGE	IN TRANSIT	TOTAL
RICE	329.67	3.39	333.06
WHEAT	439.73	2.71	442.44
Wheat lying in Mandies	1.45	0.00	1.45
TOTAL	770.85	6.10	776.95
COARSE GRAINS	0.45	0.00	0.45
SUGAR	0.05	0.05	0.10
GRAND TOTAL	771.34	6.15	777.49

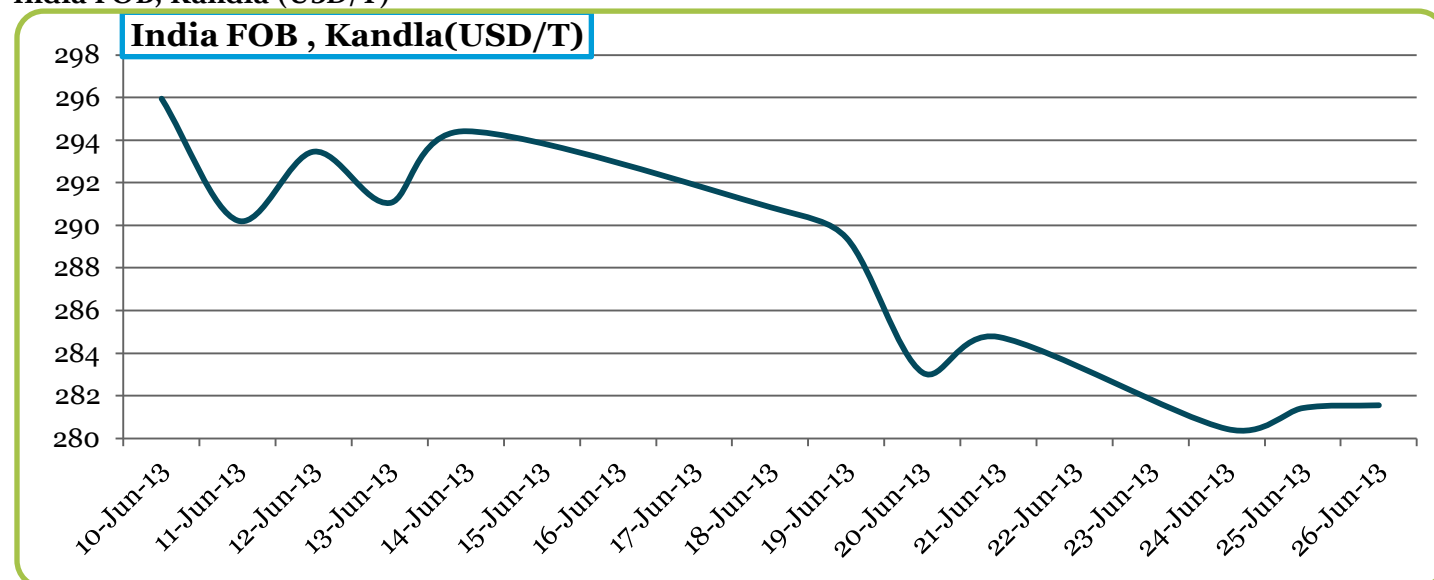
(Figures in Lakh Tonnes)

FOB Value as on 29.06.2013 from various destinations at Kandla:

Parity Calculation	Rajkot	Kota	Begusarai	Indore	Kosi	MSP	ECO.Cost
Basic cost of wheat (Rs/ton)	15700	15300	14300	15500	14650	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	700	1150	1900	1450	1550	1200	0
Indian FOB (Rs/MT)	16900	16950	16700	17450	16700	15200	19100
Indian FOB (USD/MT)	283.13	283.97	279.78	292.34	279.78	254.65	319.99
Insurance @ 0.1%	0.28	0.28	0.28	0.29	0.28	0.25	0.32
Freight Charges (US \$/ton) to Chittagong	18	18	18	18	18	18	18
CIF (kandla to Chittagong)	301	302	298	310	298	273	338
INR	59.69	59.69	59.69	59.69	59.69	59.69	59.69
Russian Wheat FOB (USD/MT)	262	262	262	262	262	262	262
Parity on FOB Basis (USD/MT)	-21	-22	-18	-30	-18	7	-58

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

	29 June, 2013	Week ago 22 June 13	Month ago 29 May 13	Year ago 29 June 2012	Change over previous Year %
Bareilly	1581	1588	1600	1230	28.54
Delhi	1600	1600	1568	1210	32.23
Indore	1572	1577	1577	1213.45	29.55
Khanna	1715	1657	1560	1463.45	17.19
Kota	1545	1548	1565	1140	35.53
Kanpur	1490	1485	1475	1367	9.00
Karnal	1625	1601	1615	1280	26.95
Rajkot	1628	1630	1685	1300	25.23

India FOB, Kandla (USD/T)


Wheat Export Monthly Data:

	Wheat Export(Lakh T)	Average FOB Quotes(USD/MT)	CBOT Average Quotes (USD/MT)
Sept 11- Mar 12	7.38	232.12	237.46
Apr-12	1.17	236.89	235.13
May-12	1.93	252.15	236.73
Jun-12	4.13	256.64	245.82
Jul-12	2.88	296.12	318.27
Aug-12	4.79	310.07	328.89
Sep-12	9.39	314.48	326.52
Oct-12	6.62	312.11	317.84
Nov-12	6.90	320.19	317.04
Dec-12	4.96	326.70	299.60
Jan-13	7.81	325.04	282.26
Feb-13	6.48	324.11	270.06
Mar-13	7.92	303.64	262.31
Total 12-13	64.96	298.18	286.71
Apr-13*	6.27	303.06	256.85
May-13*	6.88	309.11	258.13
Total 13-14	13.15	306.09	257.49

Source: DGCIS, *Provisional Data (As per IBIS)

Domestic Key Spot Market Price Comparison:

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			29.06.2013	22.06.2013	
Delhi	Lawrence Road	Mill Quality	1565	1575	-10
	Nazafgarh	Mill Delivery Loose	1500	1525	-25
	Narella	Mill Delivery Loose	1510	1535	-25
Gujarat	Rajkot	Mill Delivery	1625	1640	-15
	Ahmedabad	Mill Delivery	1700	1710	-10
M.P.	Bhopal	Mill Quality Loose (Lokwan Price)	1600	1650	-50
	Indore	Mill Delivery	1590	1600	-10
Rajasthan	Kota	Mill Quality	1530	1500	30
U.P.	Mathura`	Mill Quality Loose	1430	1465	-35
Punjab	Khanna	Mill Quality Loose	1480	1475	5
Haryana	Sirsa	Mill Delivery loose	1450	1430	20

Wheat Progressive Procurement:

All figures in Lakh Tonnes		As on 27.06		
State	Total procurement in 2012-13 Season	In Marketing season 2013-14	In Marketing season 2012-13	Change from last year at the same time
Punjab	128.34	108.88	128.27	-15.12
Haryana	86.65	58.73	86.66	-32.23
U.P	50.63	6.83	48.76	-85.99
M.P	84.93	63.55	85.07	-25.30
Rajasthan	19.64	12.68	18.26	-30.56
Other	11.29	0.17	8.24	-97.94
All India	381.48	250.84	375.26	-33.16

Commodity: Wheat

Exchange: NCDEX

Contract: June

Expiry: 20th June, 2012**Wheat (Weekly Chart)****Technical Commentary:**

- Candle stick chart depicts sideward movement in the market.
- Fall in OI and rise in price indicates short covering.

Strategy: Buy near entry level

Intraday Supports & Resistances			S2	S1	PCP	R1	R2
Wheat	NCDEX	June	1550	1558	1566	1586	1593
Intraday Trade Call*			Call	Entry	T1	T2	SL
Wheat	NCDEX	June	Buy	Above 1565	1575	1580	1560

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

Domestic Weekly Outlook: Market is likely to trade weak ahead due to comfortable supply side and weak demand.

International Market Updates:

Around 50% wheat has been planted in Argentina for 2013-14 crop advancing a brisk 10.8% points over the last week due to good weather. As per reports 52.8% of 3.9 million hectares wheat has been planted. Weather remains favorable for wheat plantation activities.

Indonesia has bought around 200,000 tonnes of 12% wheat from Russia for around USD 300/MT, CNF August shipment. Indonesia has made this rare purchase due to tight supply and higher prices of Australian wheat (USD 345/MT, CNF).

Pakistan has been a wheat exporter for a while, but this season crop has been below expectation. Unconfirmed sources revealed that Pakistan has made a deal for 50,000 MT milling wheat from Romania and Ukraine at USD 292/MT, CNF Karachi for August shipment.

EU soft milling wheat production is seen up by 4.2% as per reports by Cocal. EU is expected to harvest 130.7 million tonnes soft wheat as compared to 125.4 million tonnes previous year owing to rise in production in Spain and Romania.

20% winter wheat has been harvested in US, up from 11% a week earlier but it is behind 5 year average of 37%. This might support CBOT in near term, however medium term sentiments remains bearish.

Weather conditions remain favorable for wheat harvesting activities in Southern Federal District and in the North-Caucasus Federal District. Russian wheat Black sea, FOB prices for 12.5% protein were down by USD 2/MT to USD 262/MT.

Egypt will not enter into international buying of wheat in current fiscal year which ends on June 30. Government has enough wheat stocks till December.

International Spot and Future markets are likely to trade steady to weak due to new crop arrivals pressure from Russia, Ukraine, US and Kazakhstan. The Rust fears do not seem to be affecting market significantly.

IGC Wheat Balance Sheet

(Quantity in MMT)

	2008-09	2009-10	2010-11	2011-12 est.	2012-13 forecast	Projection for 2013-14	
						25.04.2013	31.05.2013
Production	685	679	653	696	655	680	682
Trade	137	128	126	145	139	135	137
Consumption	645	652	658	693	674	678	680
Carryover stocks	173	199	194	197	178	181	180
Y-O-Y change	41	27	-5	3	-19	2	2
Major Exporters	69	79	74	70	51	58	56

Indicative FOB Quotes:

	Variety	% Change over Prev. Year	26.06.13	Week Ago 20.06.13	Month Ago (May)	3 Months Ago (Mar)	Year Ago (June)
USA (Gulf)	SRW 2	-2.65	267.70	282.30	281.10	293.30	275.00
France	FCW3	-11.52	264.90	264.00	265.00	327.20	299.40
United Kingdom	Feed wheat	-14.20	247.10	254.60	272.20	303.40	288.00
Australia	CWRS	22.13	356.63	348.87	340.40	274.56	292.00
Russia	SRW	-12.37	262.00	273.00	273.00	272.50	299.00
Ukraine	SRW	-11.15	263.00	264.50	262.50	270.00	296.00
Argentina	SRW	-4.56	272.00	277.00	270.00	325.00	285.00

Global wheat market is expected to trade weak higher wheat production estimate of 682 million tonnes as compared to 680 million tonnes as per IGC latest estimate.

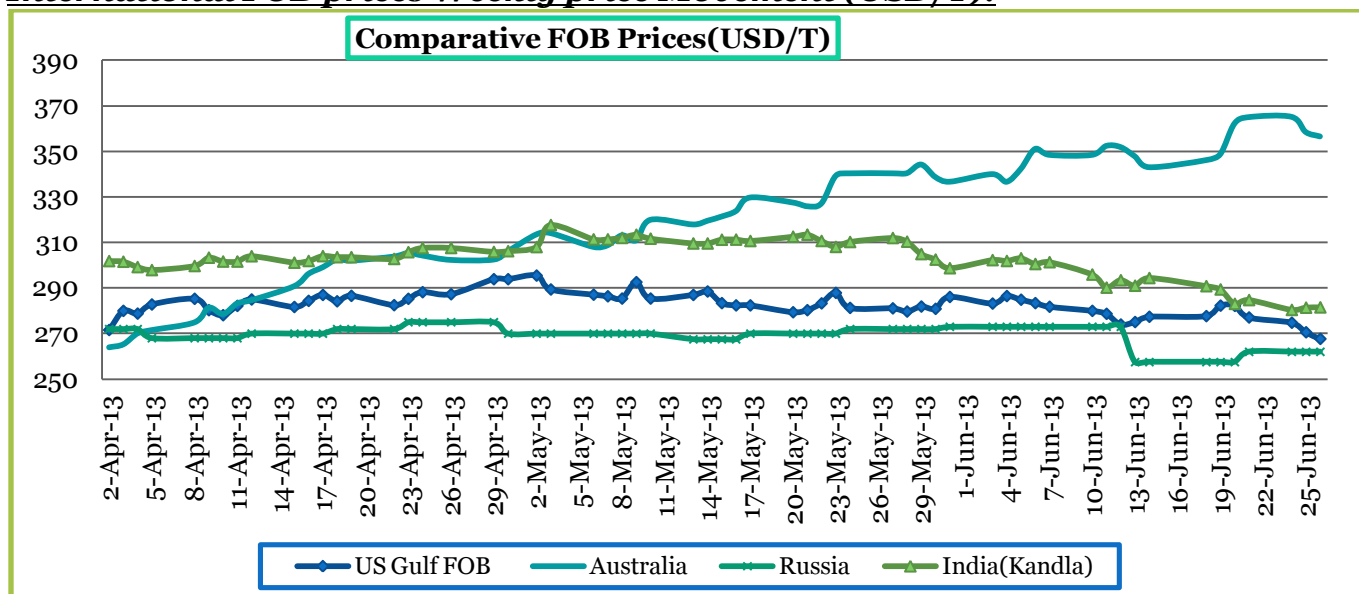
CBOT FUTURES CONTRACT:

CBOT Futures Prices: Date: 28.06.13 (USD/T)							
CONTRACT MONTH	28 June 13	Week ago (21 June 2013)	1 Month ago (28 May 13)	3 Month ago (28 Mar 13)	6 Month ago (28 Dec 12)	1 Year ago (28 June 12)	% Change over previous year
13-Jul	238.26	256.45	254.88	253.87	292.08	289.79	-17.78
13-Sep	241.66	259.02	257.82	256.90	296.86	292.17	-17.29
13-Dec	246.71	263.43	263.70	262.05	301.64	295.21	-16.43
14-Mar	251.30	268.57	269.40	266.92	305.68	296.95	-15.37
14-May	254.70	271.88	272.24	267.83	305.31	298.05	-14.55
14-Jul	256.45	273.71	273.25	265.08	299.06	289.14	-11.31

CBOT September 13 weekly Future Chart:



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



International Weather update: (Source-USDA)

Canada- In south eastern Canada warm and dry weather is helping in development and maturing of wheat.

Australia- Mostly dry weather prevailed in NSW and Queensland wheat belt. The sunny skies combined with moist top soils promoted winter crop development in the wake of last week's soaking rains.

Argentina- Mostly dry weather though cool weather dominated the week with scattered rainfall totaling around 10 mm. Weekly average temperatures was 1-2°C below normal in most area.

USA- Nationwide, 20% of this year's winter wheat crop was harvested by June 23, 43% points behind last year and 17 points behind the 5-year average.

Russia and Ukraine –A large ridge of high pressure maintained increasingly warm weather across the region, with highs reaching or exceeding 30°C across western Belarus, southern and eastern Ukraine, and much of Russia. Daytime highs topped 35°C in the northern Southern District and southeastern portions of the Volga District.

International Weekly Outlook:

International market is likely to trade steady to weak in medium term on better global output. Ongoing harvesting in US, Black Sea region and better expected planting in Canada and Argentina may further pressurize market.

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