Domestic Market Updates:

According to IBIS, export of wheat in the first week of October was around 22 Thousand Mt. The major export destination of Indian wheat was UAE from Kandla port which accounted 20 thousand MT at an average FOB price of $280.97/Tn .Other countries were Taiwan, Sri Lanka, Qatar, Bahrain, Malaysia and Philippines.

Export opportunity of Indian wheat to other countries is lower due FOB imparity. India Fob at Kandla port is around $273-278/Tn as compare to Australia ($264-267), U.S. ($250-255) and Russia ($230-235). In coming days domestic prices is going to increase due to increase demand by festive season therefore export is going to be on more lower side.

According to IBIS (provisional data), export of wheat in the month of September was 0.52 Lakh tonnes which is around 70% less than last year at the same month, which was 1.79 Lakh tones in September 2013.The reason behind the lower export is attributed to disparity from other exporting countries like U.S.A., Russia and Ukraine.

Wheat cash market may trade steady to slightly firm in the first fortnight of Oct. Supply side is expected to remain at comfortable level with good back up of allocation from central pool stock. Private stock started entering into the market on diminishing possibility of bullishness and decreasing opportunity in export market.

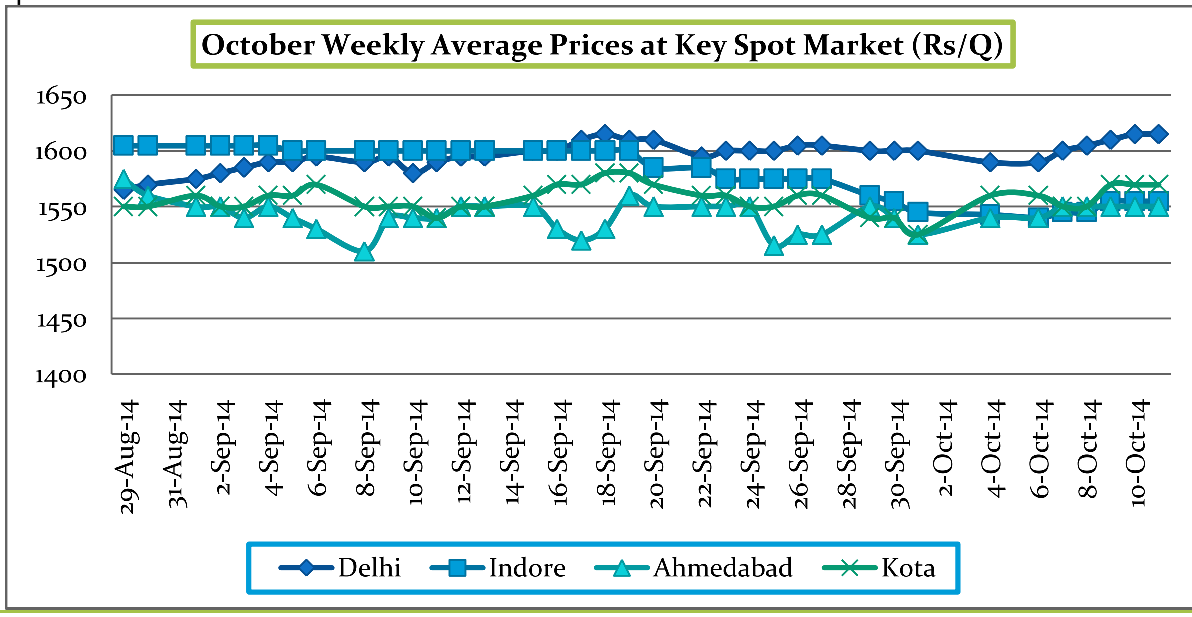
Right now supply side is balanced and wheat flow from private trades continues as plan for allocation through OMSS has changed the inner tone in the cash market. In Delhi market wheat is hovering in the range of Rs 1540/1550 per qtl. and it may hover in range of 1545 to Rs 1575 per qtl in Oct.

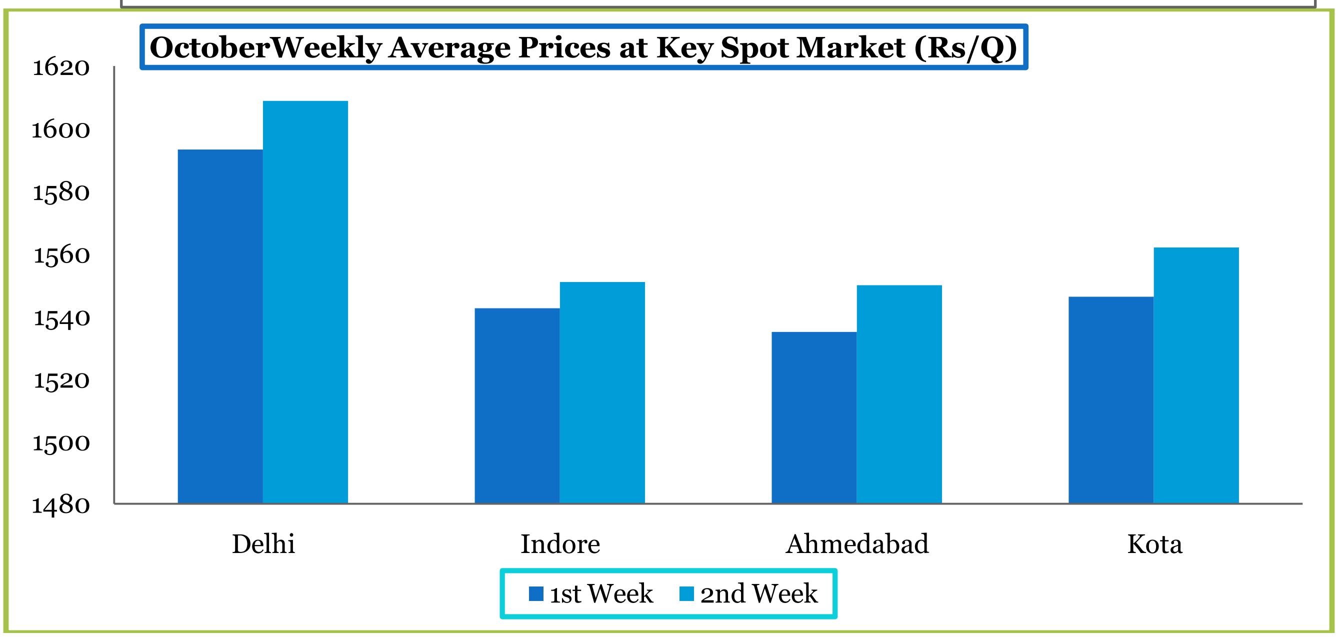
Private trade would not be able to drag price up more than expectation due to ample allocation from central pool at pre-determined price. It would help stabilizing prices in the domestic markets in the third quarter. Currently, wheat is being loaded from Mathura region in Uttar Pradesh to Rajasthan, Kota at Rs 1520/30 per qtl. while it is being traded at Rs 1440/50 per qtl. in local market. Flour millers in Delhi are sourcing wheat from Bulandsahar and Mathura markets in the range of RS 1590/1600 per qtl.

Weather Watch: (Source-IMD)

- Heavy to very heavy rainfall would occur at isolated places over Chhattisgarh, EastUttar Pradesh and Bihar. Heavy rainfall would occur at isolated places over East Madhya Pradesh and Assam& Meghalaya.
- Rain/Thundershower would occur at many places over Bihar, East India, northeastern states and south Peninsular India with possibility of isolated heavy to very heavy rainfall over Bihar upto 15th and decrease their after.

- Significant decrease in rainfall activity over Odisha, Andhra Pradesh and Chhattisgarh from 14th onwards.





STOCKS OF WHEAT IN CENTRAL POOL AS ON 01.08.2014:	STOCK WITH FCI	STOCK WITH STATE AGENCIES	TOTAL IN CENTRAL POOL
EAST ZONE	8.73	0.00	8.73
NORTH EAST ZONE	0.75	0.00	0.75
NORTH ZONE	121.46	149.37	270.83
SOUTH ZONE	8.51	0.00	8.51
WEST ZONE	15.34	73.24	88.58
TOTAL	**154.79**	**222.61**	**377.40**

(Figures in Lakh Tonnes)

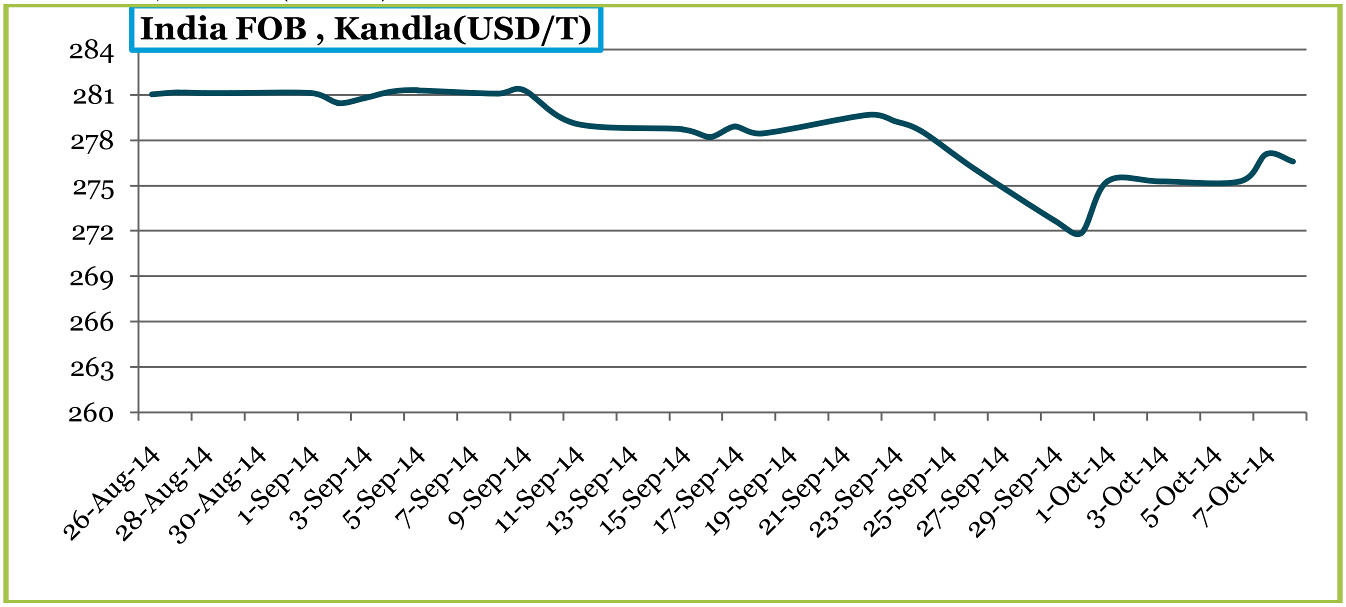
FOB Value as on 11.10.2014 from various destinations at Kandla:

Parity Calculation	Rajkot	Kota	Begusarai	Indore	Kosi	MSP	ECO.Cost
Basic cost of wheat (Rs/ton)	14500	14800	14800	15150	14500	14000	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)	15700	16450	17200	17100	16550	15700	19100
Indian FOB (USD/MT)	**256.70**	**268.97**	**281.23**	**279.59**	**270.60**	**256.70**	**312.30**
Insurance @ 0.1%	0.26	0.27	0.28	0.28	0.27	0.26	0.31
Freight Charges (US $/ton) to Chittagong	18	18	18	18	18	18	18
CIF (kandla to Chittagong)	275	287	299	298	289	275	330
INR	61.16	61.16	61.16	61.16	61.16	61.16	61.16
Russian Wheat FOB (USD/MT)	**292**	**292**	**292**	**292**	**292**	**292**	**292**
Parity on FOB Basis (USD/MT)	**35**	**23**	**11**	**12**	**21**	**35**	**-20**

Spot prices of wheat at NCDEX Delivery centers

NCDEX SPOT	10 Oct, 2014	week ago 01 Oct, 2014	Month ago 09 Sept 14	Year ago 10 Oct 2013	Change over previous Year %
Indore	1576	1555	1588	1613	**-2.29**
Bareilly	1553	1540	1595	1603	**-3.12**
Delhi	1612	1600	1590	1605	**0.44**
Khanna	NA	NA	NA	1660	**NA**
Kanpur	1514	1494	1553	1555	**-2.64**
Karnal	NA	NA	NA	1540	**NA**
Rajkot	1550	1551	1554	1629	**-4.85**
Kota	1585	1571	1585	1628	**-2.64**

India FOB, Kandla (USD/T)



Wheat Export Weekly Data:

Weekly Export (29 Sept-05 Oct-14)	Quantity in Mt	FoB ($/Tn)
Total	22192	
U.A.E.	20279	280.97
Taiwan	1156	281.92

***Provisional Data (As per IBIS)**

Domestic Key Spot Market Price Comparison:

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			11.10.2014	**04.10.2014**	
Delhi	**Lawrence Road**	**Mill Delivery**	1615	1590	**25**
	Nazafgarh	**Mill Delivery Loose**	1555	1530	**25**
	Narella	**Mill Delivery Loose**	1550	1540	**10**
Gujarat	**Rajkot**	**Mill Delivery**	1550	1540	**10**
	Ahmedabad	**Mill Delivery**	1625	1625	**Unch**
M.P.	**Bhopal**	**Mill Quality Loose**	1420	1425	**-5**
	Indore	**Mill Delivery**	1555	1543	**12**
Rajasthan	**Kota**	**Mill Quality**	1570	1560	**10**
U.P.	**Mathura`**	**Mill Quality Loose**	1500	1470	**30**
Punjab	**Khanna**	**Mill Quality Loose**	1450	1435	**15**
Haryana	**Sirsa**	**Mill Delivery loose**	1485	1475	**10**

Commodity: Wheat | **Exchange: NCDEX**
Contract: Nov | **Expiry: 20th Nov, 2014**

Wheat (Weekly Chart)

Technical Commentary:

- Candle stick chart depicts range bound movement in the market.
- Rise in price and rise in O.I. indicates long buildup.
- RSI is in neutral zone.

Strategy: Buy

Intraday Supports & Resistances			S2	S1	PCP	R1	R2
Wheat	NCDEX	Nov	1535	1550	1592	1635	1650
Intraday Trade Call*			**Call**	**Entry**	**T1**	**T2**	**SL**
Wheat	NCDEX	Nov	**Buy**	1590	1600	1605	1584

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

Domestic Weekly Outlook: **Market is bound to stay steady to slightly firm during the week.**

International Market Updates:

According to WASDE, Global wheat production is raised by 1.2 MMT from last month report to 221 MMT .The increase is mainly due to greater production estimate from E.U., Pakistan and Ukraine. Decrease in production is recorded in countries like Kazakhstan, Algeria, Australia, Canada and Argentina.

The International Grains Council raised its forecast for global wheat production in 2014/15 to 717 million tonnes, up from a previous forecast of 713 million. Better production in CIS countries, the European Union and China is the main reason for increase in production estimate.

As per Reuter's, Russia's agriculture agency has raised Russia's 2014 grain crop forecast to 104-106 million tonnes from previously expected 98 million tonnes. The country's wheat crop forecast was upgraded to 60 million tonnes from 58 million tonnes expected earlier.

South Korean mill CJ Cheiljedang Corp bought 21,200 tonnes wheat (max. 10.5 protein) at Fob around $260-263/ tonne and 4,900 tonnes wheat (max. 8.5 protein) at Fob $300/ tonne from U.S. which is scheduled for shipment between Jan. 1 and 31, 2015.

Egypt had bought 60,000 tonnes of French wheat from Granit and 60,000 tonnes of Romanian wheat from Bunge at an average price of $258.89/tonne (CiF). Earlier Egypt had stopped buying from France as they don't allow import of wheat with moisture content was more than 13 percent whereas in 2013 the average moisture content of France wheat was 13.5. In June, Egypt raised its tolerance again for moisture content to 13.5 percent, albeit with heavier penalties, but had not made a French wheat purchase due to lower price offered by Russian, Romanian and Ukrainian.

Egypt, the top wheat importer(around 10 million tonne anually) is trying to reduce import dependency and for this goal local agriculture ministry has planned to encourage farmers to grow more wheat in the years to come.The target has been fixed to achieve 75 percent of self sufficiency by 2017. Area under wheat is bound to increase. However,import would continue as per requirement.

Pakistan's flour millers bought around 100,000 tons of wheat from the Black Sea region this week, while importers in Bangladesh booked 50,000 tons. Importers in Pakistan paid $269.50 a ton, including cost and freight, for two cargoes of wheat with 11.5% protein. One cargo is scheduled to be shipped in October and the other is for arrival between October 15 and November 15.Buyers in Bangladesh paid $255 a ton for 50,000 tons of wheat with 10.5% protein. It is due for shipment in the second half of September.

IGC Wheat Balance Sheet

(Quantity in MMT)

	2009-10	2010-11	2011-12	2012-13.	2013-14 Est	Forecast for 2014-15	
						29.08.2014	25.09.2014
Production	679	653	695	655	713	713	717
Trade	128	126	145	141	156	146	147
Consumptions	652	657	698	676	695	706	709
Carryover stocks	199	194	192	170	188	195	195
Y-O-Y change	27	-4	-2	-22	17	7	8
Major Export	79	73	68	48	53	59	60

Indicative FOB Quotes:

All prices are for SRW /milling grade, comparable to Indian quality	2nd July 14	1st Aug 14	2nd Sept 14	01st Oct 14
USA	246.30	244.00	251.70	238.40
France	247.87	238.88	232.27	202.52
United Kingdom	NA	NA	NA	NA
Australia	269.00	252.00	266.00	257.00
Russia	245.00	241.50	242.50	233.50
India	268.47	283.86	280.48	275.30

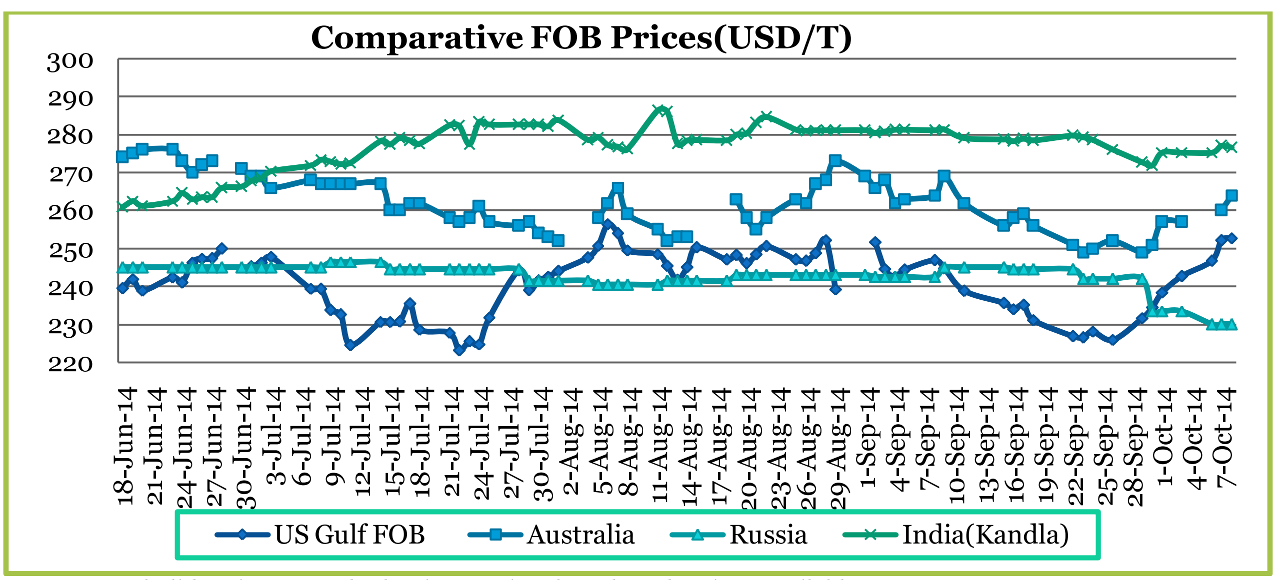
Global wheat market is expected to trade weak on higher wheat production estimate of 721 million tones and IGC latest estimate of 717 million tones may keep market under pressure in medium term.

CBOT FUTURES CONTRACT:

CBOT Futures Prices: Date: 10.10.14 (USD/T)							
CONTRACT MONTH	**10 Oct 14**	**Week ago (01 Oct 2014)**	**1 Month ago(08 Sept 14)**	**3 Month ago(08 July 14)**	**6 Month ago(08 Apr 14)**	**1 Year ago(08 Oct 13)**	**% Change over previous year**
14-Dec	183.15	175.98	196.01	213.18	261.59	262.60	**-30.26**
15-Mar	187.19	180.85	202.35	221.45	265.91	264.71	**-29.29**
15-May	189.30	184.16	206.66	227.15	268.48	264.34	**-28.39**
15-Jul	192.06	187.01	210.15	231.74	265.63	261.04	**-26.43**
15-Sep	196.19	191.32	214.38	236.05	266.73	262.51	**-25.26**
15-Dec	202.25	197.48	220.16	240.28	269.76	265.81	**-23.91**

CBOT Dec- 14 Future Charts:

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



Note: Due to holidays in U.S. and other international markets data is unavailable.

International Weather update: (Source-USDA)

Australia: Mostly dry, warmer-than-normal weather overspread much of the wheat belt, accelerating crop development and reducing moisture supplies. Winter grains were generally in the reproductive to filling stages of development across southern portions of the wheat belt, and thus would benefit from additional rainfall. The rain would be most welcome in southeastern Australia, where persistent dryness has caused a slow but steady decline in crop prospects. In northern portions of the wheat belt the crops began to mature .Warmer-than-normal weather aided this maturation, with temperatures averaging about 1 to 3°C above normal throughout the wheat belt, and maximum temperatures approaching and locally exceeding 30°C. The very warm, mostly dry weather favored fieldwork in northern New South Wales and southern Queensland, including early winter crop harvesting.

Argentina- Beneficial rain developed in the west, increasing moisture for winter grain development and the impending summer growing season. Rainfall totaled more than 25 mm from La Pampa northward through Cordoba, with amounts of 10 mm extending as far east as central sections of Buenos Aires and Santa Fe. In addition, satellite-derived rainfall estimates depicted similar amounts extending northward through Salta. It was the heaviest rainfall thus far from Cordoba northward. Heavy rain (25 to more than 100 mm) also fell in the far northeast (eastern Corrientes and Misiones), outside of major farming areas. In contrast, drier conditions prevailed from eastern Buenos Aires to Chaco. Weekly temperatures averaged near to slightly above normal in central Argentina (La Pampa, Buenos Aires, and nearby sections of Cordoba, Santa Fe, and Entre Rios), with daytime highs ranging from the lower 20s (degrees C) in southern-most production areas to the upper 20s farther north. Frosty weather lingered in southern Buenos Aires. Farther north, weekly temperatures averaged up to 5°C above normal, with highs approaching 40°C in Salta and Formosa.

Russia and Ukraine: Following last week's quick-hitting but intense storm system, drier weather settled across much of the region. In particular, sunny skies allowed for damage recovery in eastern Ukraine and southwestern Russia, where strong, gusty winds at the end of September reportedly downed trees, knocked out power, and caused some structural damage to farm buildings. However, the storm also brought much-needed rainfall to wheat in Ukraine and Russia. This week's drier weather promoted winter crop planting and establishment in areas impacted by the storm. However, showers lingered in the North Caucasus District in southern Russia, improving soil moisture for winter wheat following an unfavorably dry, hot summer. Soil moisture remained in short supply for winter wheat establishment from the southern Central District eastward into the southern Volga, with light showers (5 mm or less) in eastern-most crop areas offering little overall improvement.

International Weekly Outlook: With the commencement of harvesting in the black sea region pressure on global wheat market continues. Russia, Ukraine, US would remain the main suppliers to the global market. Any spike is unlikely in the coming week of October.