Domestic Market Updates:

As of now Wheat sown area has marginally lower in comparison to last year till date .As per latest update by agriculture ministry wheat coverage during 2014-15 has been registered at 299.33 lakh hectares against corresponding period of 2013-14(304.25 lakh hectares).However wheat area in Gujarat, MP and Haryana is lagging behind from the last year.

According to IBIS (provisional data), export of wheat in the month of December was 0.89 Lakh tones which is around 76% less than last year at the same month, which was 3.83 Lakh tones in 2013.The reason behind the lower export is attributed to disparity from other exporting countries like U.S.A., Russia and Ukraine.

Private trades from various centers to south Indian millers has decreased considerably in the month of December as stock in private hands is contracting fast .Wheat rake loading from kota region of Rajasthan is being taken place at Rs 1860-1870/ quintal for Bangalore and Mysore region .

Wheat stock in govt.'s granary on 01st January was recorded at 25.11 million tonne against 27.20 million tonne on 1st December, 2014. India needs 8.2 million tonne wheat as buffer stock and 3 million tonne as strategic reserve as on 1st January, 2014.Actual holding with govt. is at comfortable stage and supply side would be ample throughout the season.

Winter rains in the month of December in main wheat growing belts in central and north India helped to increase sowing activities in major growing states like Bihar, Uttar Pradesh and some parts of Rajasthan and Madhya Pradesh. Recent rains and decreasing temperature remain favorable for wheat crop that is under sprouting stage right now.

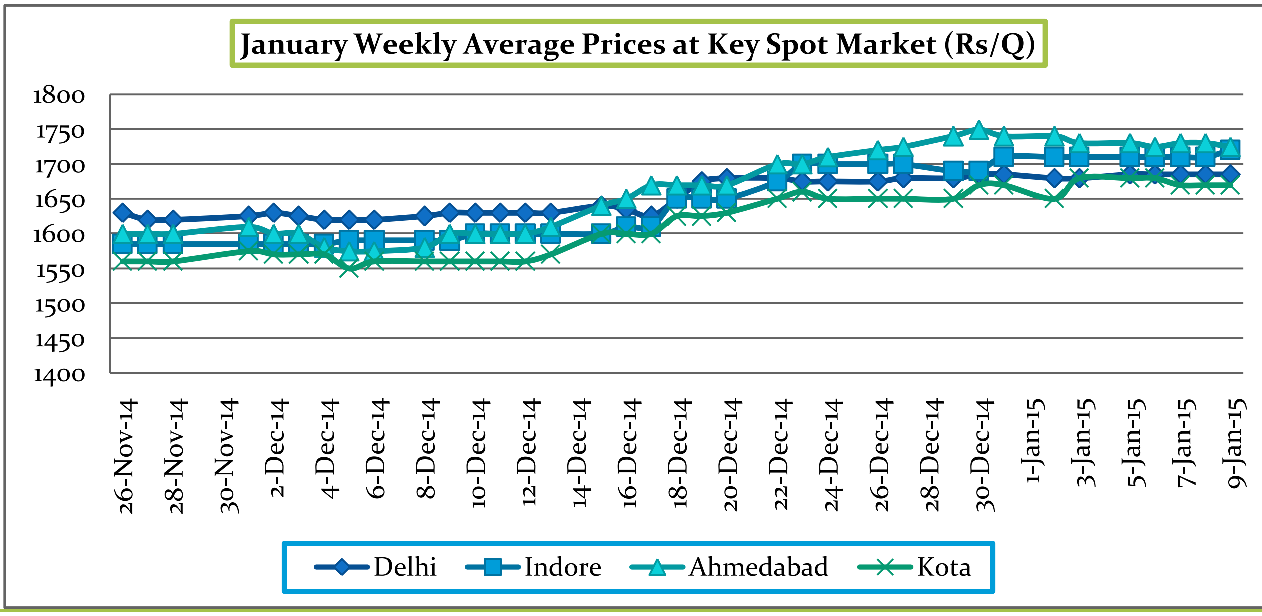
Crop condition in Punjab and Haryana is satisfactory to excellent so far and recent rains in these areas will ensure better growth of the standing crop .Framers are applying second dose of fertilizers with better moisture available in the field. Current crop condition hints towards bumper wheat crop once again in 2015 given the normal weather condition so far.

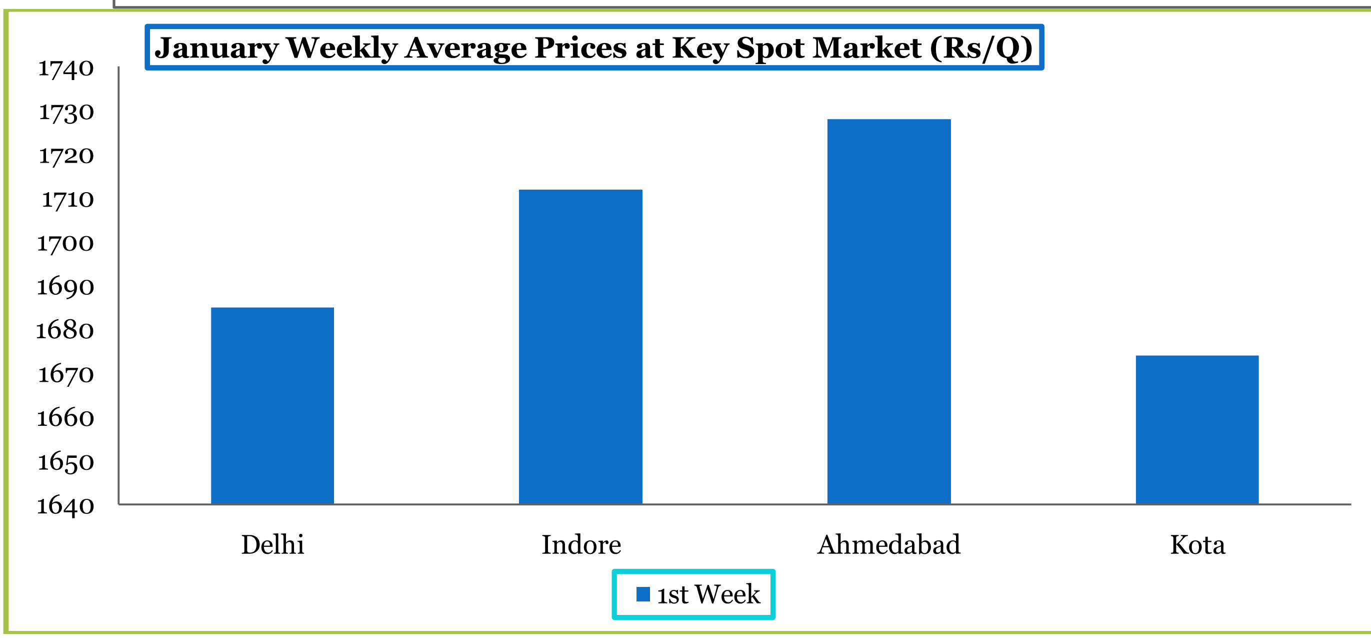
Early sown wheat crop in Gujarat and Madhya Pradesh is in vegetative state and overall crop condition is satisfactory so far. However fear of spreading yellow rust and lower water availability in some parts of Rajasthan and Madhya Pradesh still remain the cause of concern for overall productivity of wheat.

Weather Watch: (Source-IMD)

- Rain/snow would occur atany places with isolated heavy falls over western Himalayan region on 14th anddecrease thereafter.
- Rain/thundershowers would occur at isolated places over plains of northwest India on 14th.
- Rain/thundershowers would occur at a few places over Andaman & Nicobar Islands and at isol ated places overnortheastern states & extreme south peninsular India.

Weather would be dry over rest of the country.





STOCKS OF WHEAT IN CENTRAL POOL AS ON 01.01.2015:	STOCK WITH FCI	STOCK WITH STATE AGENCIES	TOTAL IN CENTRAL POOL
EAST ZONE	8.26	0.00	8.26
NORTH EAST ZONE	0.64	0.00	0.64
NORTH ZONE	90.78	84.42	175.20
SOUTH ZONE	6.12	0.00	6.12
WEST ZONE	14.89	43.09	57.98
TOTAL	**120.69**	**127.51**	**248.20**

(Figures in Lakh Tonnes)

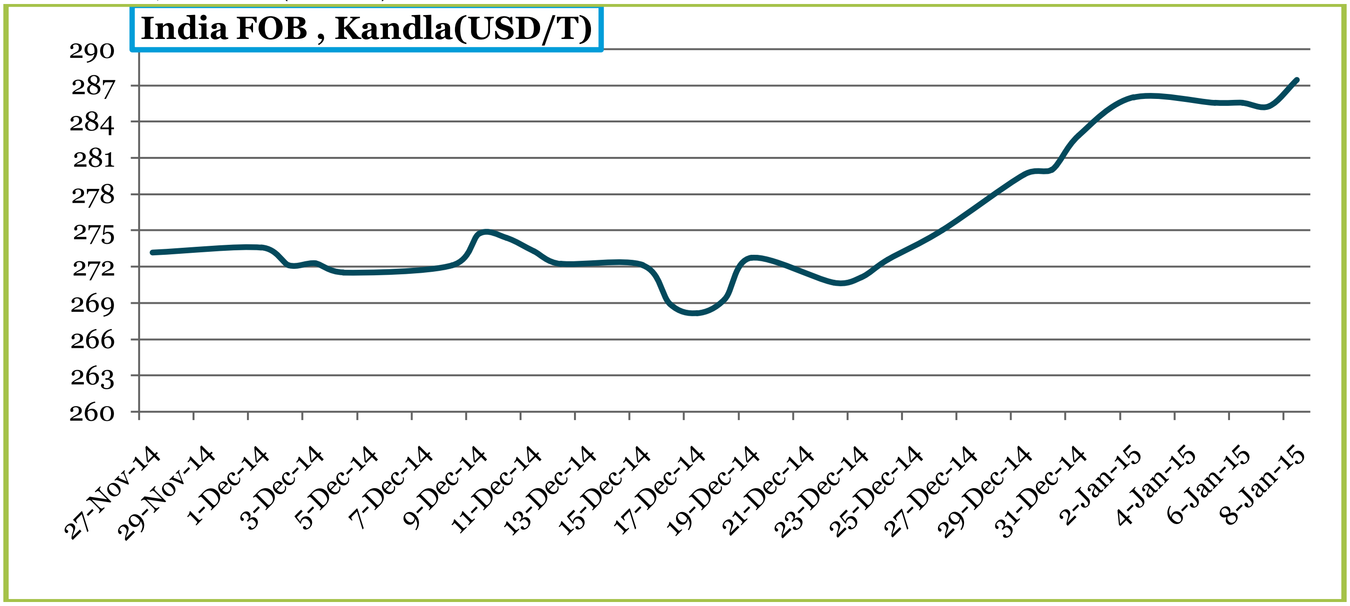
FOB Value as on 09.01.2015 from various destinations at Kandla:

Parity Calculation	Rajkot	Kota	Begusarai	Indore	Kosi	MSP	ECO.Cost
Basic cost of wheat (Rs/ton)	16350	15900	15700	16300	16500	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)	17550	17550	18100	18250	18550	15700	19100
Indian FOB (USD/MT)	**276.86**	**276.86**	**285.53**	**287.90**	**292.63**	**247.67**	**301.31**
Insurance @ 0.1%	0.28	0.28	0.29	0.29	0.29	0.25	0.30
Freight Charges (US $/ton) to Chittagong	18	18	18	18	18	18	18
CIF (kandla to Chittagong)	295	295	304	306	311	266	319
INR	63.39	63.39	63.39	63.39	63.39	63.39	63.39
Russian Wheat FOB (USD/MT)	**268**	**268**	**268**	**268**	**268**	**268**	**268**
Parity on FOB Basis (USD/MT)	**-9**	**-9**	**-18**	**-20**	**-25**	**20**	**-33**

Spot prices of wheat at NCDEX Delivery centers

NCDEX SPOT	08 Jan, 2015	week ago 02 Jan, 2015	Month ago 12 Dec 14	Year ago 13 Jan 2014	Change over previous Year %
Indore	1695	1678	1600	1780	**-4.78**
Bareilly	1638	1638	1565	1755	**-6.67**
Delhi	1686	1686	1630	1640	**2.80**
Khanna	NA	NA	NA	1814	**NA**
Kanpur	1624	1635	1518	1720	**-5.58**
Karnal	NA	NA	NA	1560	**NA**
Rajkot	1705	1713	1599	1695	**0.59**
Kota	1708	1690	1596	1743	**-2.01**

India FOB, Kandla (USD/T)



Wheat Export Weekly Data:

Weekly Export (29 Dec-14 04Jan-15)	Quantity in Mt	FoB ($/Tn)
Total	626.00	316.67
UAE	552.00	318.05
Malaysia	23.00	308.76

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

Domestic Key Spot Market Price Comparison:

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			09.01.2015	**03.01.2015**	
Delhi	**Lawrence Road**	**Mill Delivery**	1685	1680	5
	Nazafgarh	**Mill Delivery Loose**	1650	1625	25
	Narella	**Mill Delivery Loose**	1615	1615	Unch
Gujarat	**Rajkot**	**Mill Delivery**	1725	1730	-5
	Ahmedabad	**Mill Delivery**	1760	1790	-30
M.P.	**Bhopal**	**Mill Quality Loose**	1560	1570	-10
	Indore	**Mill Delivery**	1720	1710	10
Rajasthan	**Kota**	**Mill Quality**	1590	1600	-10
U.P.	**Kosi**	**Mill Quality Loose**	1650	1610	40
Punjab	**Khanna**	**Mill Quality Loose**	1525	1480	45
Haryana	**Sirsa**	**Mill Delivery loose**	1505	1500	5

Commodity: Wheat **Exchange: NCDEX**

Contract: Jan **Expiry: 20th Jan, 2015**

Wheat (Weekly Chart)

Technical Commentary:

- Candle stick chart depicts upward movement in the market.
- Fall in price and fall in O.I. indicates long liquidation.
- RSI is in overbought zone.

Strategy: Sell

Intraday Supports & Resistances			**S2**	**S1**	**PCP**	**R1**	**R2**
Wheat	NCDEX	Jan	1660	1680	1711	1745	1760
Intraday Trade Call*			**Call**	**Entry**	**T1**	**T2**	**SL**
Wheat	NCDEX	Jan	**Sell**	1712	1702	1697	1718

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

Domestic Weekly Outlook: **Market is bound to stay steady to slightly weak due to pressure arrival.**

International Market Updates:

A cold snap across the United States raised concerns about damage to the dormant winter wheat crop in many states, particularly in Illinois where the crop was hobbled by planting delays and USDA rated 24 percent of the wheat crop as good to excellent down from 56 percent. In Kansas, the top winter wheat producer, USDA said 49 percent of the crop was rated good to excellent, down from 61 percent.

Iraq's state grains board has purchased 200,000 tonnes of hard wheat to be sourced from Canada, the United States and Australia. The purchase comprised 100,000 tonnes of Canadian wheat at $331.65/tonee Cif, 50,000 tonnes of U.S. wheat at $333.87/tonne CiF and 50,000 tonnes of Australian wheat at $32.5.93/tonne CiF.

Russia imposes export duty on wheat that would amount to 15 percent of the customs price plus 7.5 euros and would be no less than 35 euros ($43) per tonne from Feb. 1 until June 30, 2015.Russian domestic wheat prices are very high due to weak currency and good export demand, so the export duty might lower domestic wheat prices by 15 percent so the government can replenish its stocks.

Romanian wheat was offered lowest at $313.00 a tonne (CiF) in a tender from Iraq's state grains board of at least 50,000 tonnes of hard wheat. The tender called for wheat only from the United States, Canada, Australia, Ukraine, Russia and Romania. No offers for Russian wheat were made after the Russian government imposed informal measures to restrain exports while others offer were Ukrainian at $322.97, Australian at $325.93, Canadian at $331.65 and U.S. at $333.87.

Egypt had purchased 3, 00,000 tonnes of wheat from Russia & France at an average price of $273.94/tonne CiF which has to be delivered between 21-31 January. Till now from July 1st, Egypt has bought 2.90 million tonnes of wheat from the international market. Egypt had purchased 5.46 million tonnes of wheat from abroad in addition to 3.7 million tonnes of local wheat in 2013-14.

Olam International offers the lowest bid at $268.47 a tonne (CiF) among 5 bidders to sell 50,000 tonnes of wheat to Bangladesh. Wheat has to be shipped within 40 days after the approval of Bangladesh purchase committee. Bangladesh is planning to import 900,000 tonnes of wheat in the current fiscal year starting from July that includes 250,000 tonnes of Ukrainian wheat at $297.50 a tonne (CiF) and other port-related expenses in a government-to-government deal with Ukraine.

IGC Wheat Balance Sheet

(Quantity in MMT)

	2009-10	2010-11	2011-12	2012-13.	2013-14 Est	Forecast for 2014-15	
						30.10.2014	27.11.2014
Production	679	653	695	655	713	718	717
Trade	128	126	145	141	155	149	150
Consumptions	652	657	698	677	695	710	712
Carryover stocks	199	194	191	169	187	193	193
Y-O-Y change	27	-4	-2	-22	18	8	6
Major Export	79	73	68	48	52	60	59

Indicative FOB Quotes:

All prices are for SRW /milling grade, comparable to Indian quality	1st Oct 14	3rd Nov 14	1st Dec 14	6th Jan 15
USA	238.40	262.00	278.00	265.20
France	202.52	217.23	234.45	239.58
United Kingdom	NA	NA	NA	NA
Australia	257.00	270.00	265.00	265.00
Russia	233.50	241.00	247.00	263.50
India	275.30	276.83	273.62	285.58

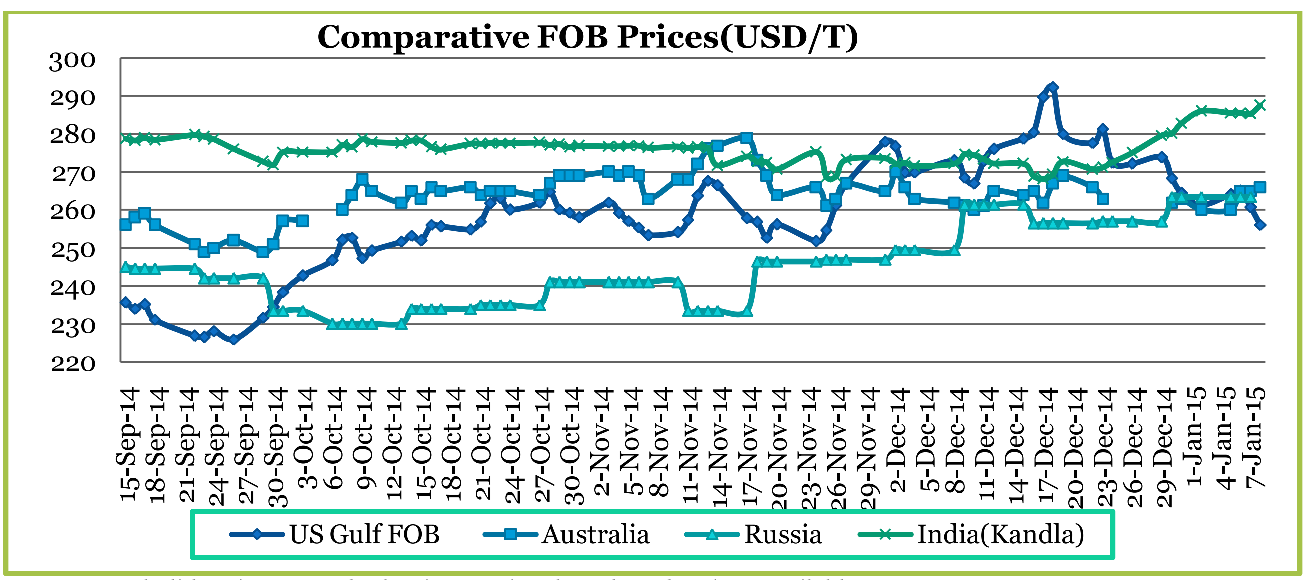
CBOT FUTURES CONTRACT:

CBOT Futures Prices: Date: 09.01.15 (USD/T)

CONTRACT MONTH	09 Jan 15	Week ago (05 Jan 2015)	1 Month ago(12 Dec 14)	3 Month ago(13 Oct 14)	6 Month ago(14 July 14)	1 Year ago(13 Jan 14)	% Change over previous year
15-Mar	207.12	216.40	222.83	189.95	213.73	227.88	-9.11
15-May	208.59	218.14	223.65	191.97	219.52	228.43	-8.69
15-Jul	210.34	218.97	223.29	194.63	223.56	227.24	-7.44
15-Sep	212.72	221.45	226.23	198.67	227.97	230.18	-7.58
15-Dec	216.67	224.94	230.36	204.55	233.12	233.67	-7.27
16-Mar	218.51	226.32	233.67	208.50	236.05	236.15	-7.47

CBOT Mar- 15 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: In the wake of last week's widespread showers, soaking rains (10-50 mm, locally more) continued to fall across southern Queensland and parts of northern New South Wales. During the past few weeks, frequent showers and seasonable warmth have been very beneficial for cotton and sorghum. Following a relatively dry start to the growing season, the recent rains are unlikely to significantly increase summer crop acreage but have helped boost yield prospects. Elsewhere, mostly dry weather favored wheat, barley, and canola harvesting in southeastern and Western Australia. Winter crop harvesting is rapidly approaching completion in these areas.

Argentina- Locally heavy showers ended a brief spell of dryness in western production areas, while soaking rain maintained locally excessive levels of moisture in the northeast. Rainfall totaling 10 to 50 mm in recently dry farmlands of central Argentina (Cordoba and nearby locations in La Pampa and Buenos Aires). The rain also lowered temperatures down to more seasonable levels after several days of highs in the middle 30s (degrees C) early in the week. In the northwest (notably Salta, northern Santiago del Estero, and western parts of Chaco and Formosa), the rain slowed fieldwork. Meanwhile, unseasonably wet weather (50-200 mm) persisted in the northeast, with some of the heaviest rain (greater than 100 mm) centered over northern Santa Fe and southeastern Chaco. According to Argentina's Ministry of Agriculture wheat was 88 percent harvested versus97 percent last year.

Russia and Ukraine: Winter crops remained adequately insulated from bitter cold by a moderate to deep snowpack. Across Ukraine and central Russia, a fresh snowfall (10-35 mm liquid equivalent, snow depths of 5 to 30 cm, locally more)protected dormant winter wheat from temperatures up to6°C below normal (nighttime lows below -20°C). However, key southern wheat areas in southern Russia were spared the coldest conditions, with readings remaining above-15°C; these southern wheat areas are protected by a shallow, patchy snow cover.

International Weekly Outlook: Global wheat market may trade steady to weak due to ample supply in the world market. Recently market showed firmness due to weather concern in USA and Russia restriction on wheat export, however recent weather updates has calm down the concern of wheat crop in USA and Global wheat production started pressuring the wheat market. Market may test the first support level of 560 cent per bushel in the short term & 520 cent per bushel in medium term. We expect market to trade in the range of $190 to $220 per T.