

Domestic Market Updates:

According to IBIS, export of Indian wheat in the last week of February (23 Feb-01 Mar) was around 2132 MT at an average FoB price of \$323.63/tonne. The major export destination of Indian wheat was UAE from Mundra port which accounted 1197 MT at an average FOB price of \$336.68/Tn. Other major countries were China and Philippines.

Wheat farmers in Rajasthan have suffered 5 to 10 percent crop loss in some particulars regions like Barmer, Bundi and Baran Agriwatch team is still in process of analyzing total loss in the region. However, crop condition in Bihar, Punjab and Haryana is in good to excellent so far. Good production prospect is live in these states. Temperature in March month would remain crucial for the final size of the crop. Abnormally higher temperature may increase shrinkage percentage in grain.

In Gujarat crop size is expected to be lower by 10 to 15 percent. Early sown crop has attained maturity and harvesting has commenced. During grain filling stage temperature started increasing in the major growing belt of Swarashtra region and it compelled grain to ripen early. It did not allow grain to attain its normal size that may affect yield by 10 to 15 percent.

According to the latest report of USDA Indian wheat export may come to 2 MMT due to uncompetitive prices and expectations of no government wheat exports. However, according to Agriwatch estimate Indian wheat export may reach to 3MMT due to higher production and good demand of quality wheat like Tukda and Lokwan.

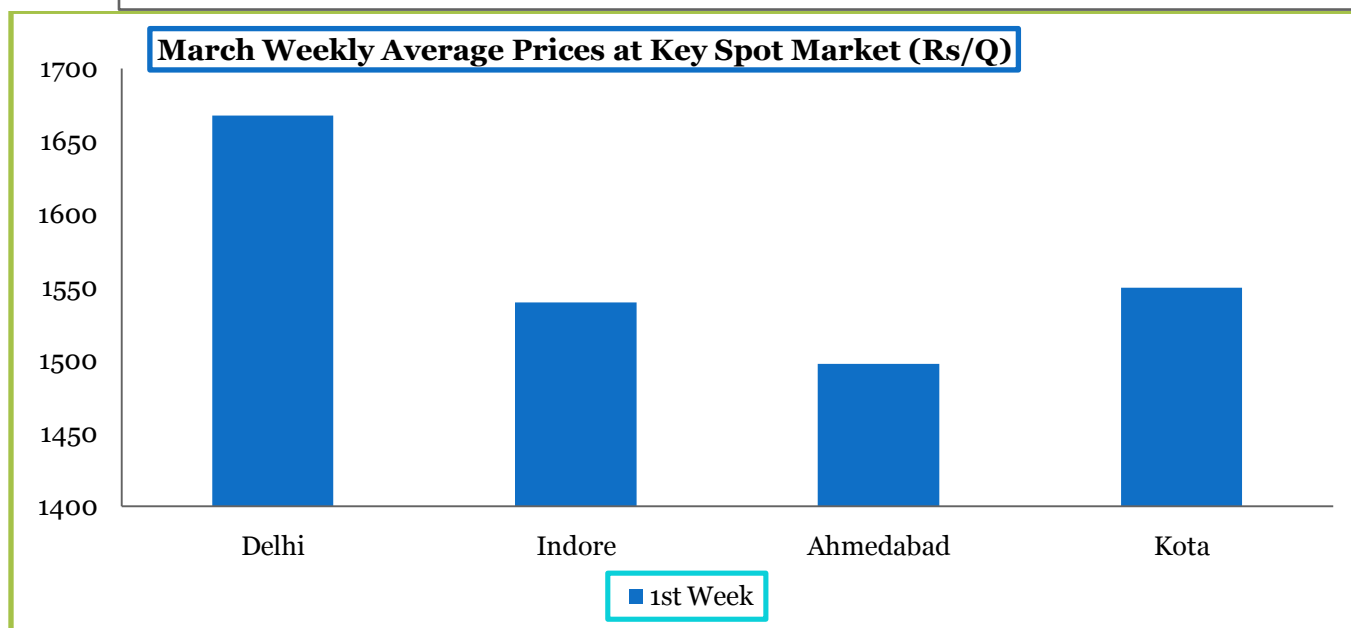
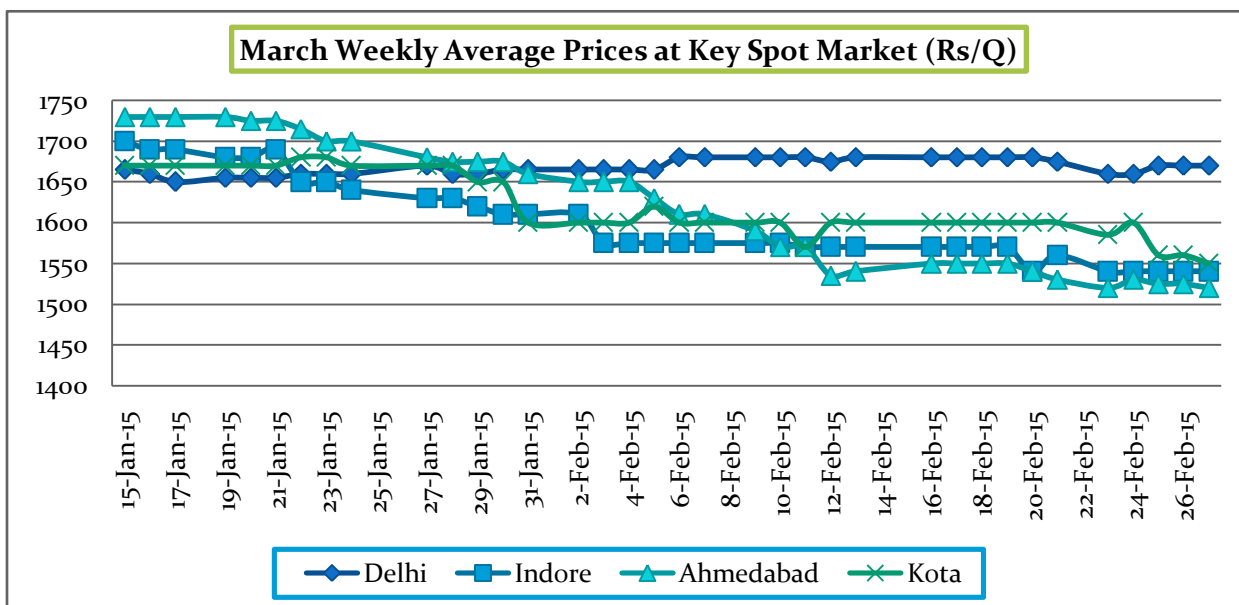
According to second advance estimate released by Indian government wheat production may reach to 95.76 MMT which is around 2 percent higher than the first estimate of 94.00 MMT. They have increased the wheat production estimate due to expectation of higher yield in major growing area despite lower area coverage as compared to last year.

Fewer water supplies from the canal and increasing temperature in the maturity stage may affect the yield of wheat in the Rajkot region as it will make the seed to shrink more. As per farmers feedback area of wheat has decreased around 6-7 percent from last year and harvesting may start from 1st week of March.

According to the state-wise target of wheat to be purchased from farmers during the Rabi marketing season, Punjab is expected to purchase 12 MMT of wheat in 2015-16 against 11.64 MMT in 2014-15 and Haryana 7 MMT in 2015-16 against 6.45 MMT in 2014-15. Procurement estimate for Madhya Pradesh is 6 MMT, Uttar Pradesh 3 MMT and Rajasthan 1.8 MMT. The targets were fixed at a meeting of food secretaries.

Weather Watch: (Source-IMD)

- Rain/thundershower would occur at a few places over Western Himalayan region.
- Rain/thundershower would occur at a few places over central India and adjoining Maharashtra and at isolated places over plains of northwest India.



STOCKS OF WHEAT IN CENTRAL POOL AS ON 01.02.2015:	STOCK WITH FCI	STOCK WITH STATE AGENCIES	TOTAL IN CENTRAL POOL
EAST ZONE	7.75	0.00	7.75
NORTH EAST ZONE	0.57	0.00	0.57
NORTH ZONE	81.60	74.33	155.93
SOUTH ZONE	5.61	0.00	5.61
WEST ZONE	13.96	32.99	46.95
TOTAL	112.70	107.44	220.14

(Figures in Lakh Tonnes)

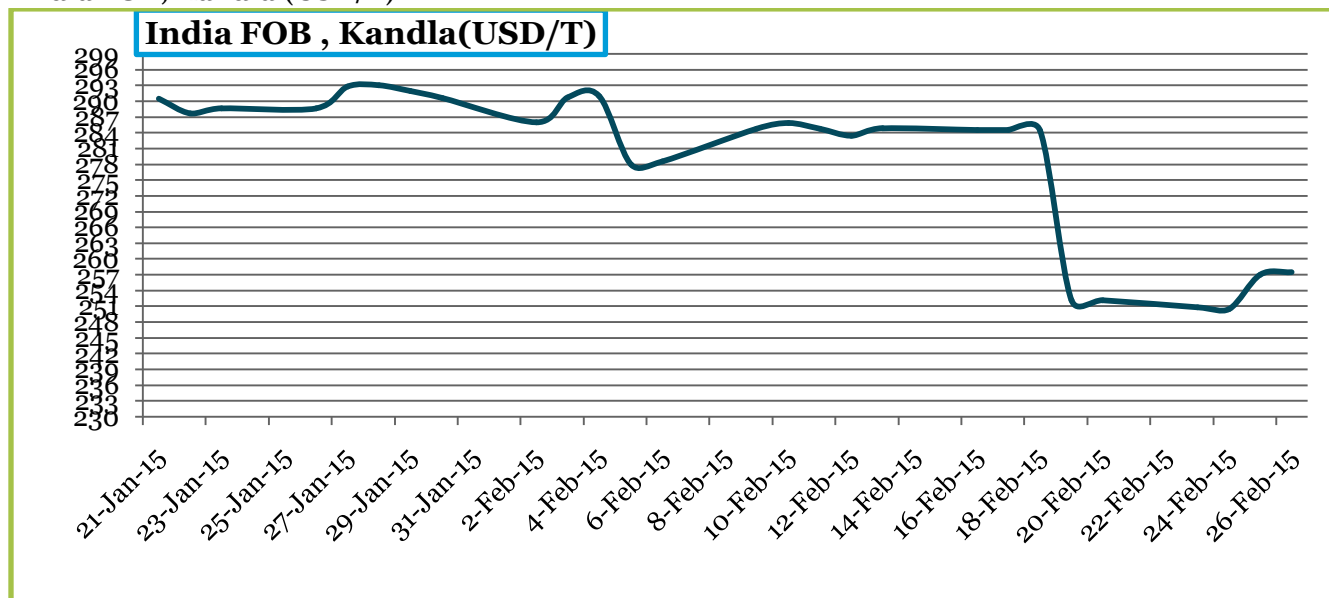
FOB Value as on 07.03.2015 from various destinations at Kandla:

Parity Calculation	Rajkot	Kota	Begusarai	Indore	Kosi	MSP	ECO.Cost
Basic cost of wheat (Rs/ton)	13800	14500	15250	15000	15300	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)	15000	16150	17650	16950	17350	15700	19100
Indian FOB (USD/MT)	241.16	259.65	283.76	272.51	278.94	252.41	307.07
Insurance @ 0.1%	0.24	0.26	0.28	0.27	0.28	0.25	0.31
Freight Charges (US \$/ton) to Chittagong	18	18	18	18	18	18	18
CIF (kandla to Chittagong)	259	278	302	291	297	270	325
INR	62.2	62.2	62.2	62.2	62.2	62.2	62.2
Russian Wheat FOB (USD/MT)	239	239	239	239	239	239	239
Parity on FOB Basis (USD/MT)	-2	-21	-45	-34	-40	-13	-68

Spot prices of wheat at NCDEX Delivery centers

NCDEX SPOT	05 Mar, 2015	week ago 28 Feb, 2015	Month ago 05 Feb 15	Year ago 05 Mar 2014	Change over previous Year %
Indore	1551	1543	1600	1595	-2.76
Bareilly	1533	1585	1625	1768	-13.29
Delhi	1674	1673	1669	1630	2.70
Khanna	NA	NA	NA	NA	NA
Kanpur	1505	1500	1613	1745	-13.75
Karnal	NA	NA	NA	NA	NA
Rajkot	1493	1496	1645	1560	-4.30
Kota	1595	1555	1655	1738	-8.20

India FOB, Kandla (USD/T)



****FoB Prices are of new arrival***

Wheat Export Weekly Data:

Weekly Export (23 Feb-15 to 01Mar-15)	Quantity in Mt	FoB (\$/Tn)
Total	2132.00	323.63
UAE	1197.00	336.68
Malaysia	231.00	274.60

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

Domestic Key Spot Market Price Comparison:

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			07.03.2015	02.03.2015	
Delhi	Lawrence Road	Mill Delivery	1670	1670	Unch
	Nazafgarh	Mill Delivery Loose	1600	1600	Unch
	Narella	Mill Delivery Loose	1605	1610	-5
	Rajkot	Mill Delivery	1490	1520	-30
Gujarat	Ahmedabad	Mill Delivery	1575	1570	5
	Bhopal	Mill Quality Loose	1420	1425	-5
M.P.	Indore	Mill Delivery	1540	1540	Unch
Rajasthan	Kota	Mill Quality	1450	1470	-20
U.P.	Kosi	Mill Quality Loose	1530	1500	30
Punjab	Khanna	Mill Quality Loose	1550	1540	10
Haryana	Sirsa	Mill Delivery loose	1515	1510	5

Commodity: Wheat
Contract: Mar

Exchange: NCDEX
Expiry: 20th Mar, 2015

Wheat (Weekly Chart)



Technical Commentary:

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

Strategy: Stay Away

Intraday Supports & Resistances			S2	S1	PCP	R1	R2
Wheat	NCDEX	March	1575	1600	1643	1700	1725
Intraday Trade Call*			Call	Entry	T1	T2	SL
Wheat	NCDEX	March	Wait	-	-	-	-

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

Domestic Weekly Outlook: Market is bound to stay firm due to bad weather and expectation of yield loss.

International Market Updates:

Frigid temperatures likely caused spotty freeze damage to winter wheat in parts of the U.S. Plains. Temperatures fell as low as minus 22 Celsius in parts of south-central Nebraska and north-central Kansas where most of wheat areas lacked a protective layer of snow cover. The situation has firmed Chicago wheat futures after falling to three-week lows.

International Grains Council in its monthly report raised EU wheat export forecast to 30.3 million tonnes in 2014-15, up from a previous estimate of 29.7 million. They have also revised down U.S. wheat export to 24.0 million tonnes from a previous forecast of 25.0 million.

A group of Israeli private buyers has purchased 25,000 tonnes of feed wheat at an average price of \$210/tonne CiF which has to be delivered between 01-20 April. Wheat is likely to be sourced from Black Sea Region.

Bangladesh's state grains buyer received the lowest offer of \$247.95/tonne CIF for 50,000 tonne with 10 percent protein content from Agrocorp and another lowest offer of \$263.25 /tonne CIF for 50,000 tonne with 12.5 percent protein content from Glencore. The offers must remain valid until March 1 and has to be shipped within 40 days after contract signing.

Korea's largest feed maker, Nonghyup Feed Inc. (NOFI), purchased 55,000 tonnes of feed wheat at \$233.80/ tonne c&f plus a \$1.25 a tonne surcharge for additional port unloading for June shipment .The wheat can be sourced from the Black Sea region, United States, Canada, Australia, or India .

South Korean Flour Miller CJ Cheiljedang Corporation had purchased different types of wheat from U.S. and Australia as per their requirement. They had purchased 47,000 tonnes of U.S. wheat at an average FoB price of \$302.36/ tonne for June shipment and 50,000 tonnes of Australian wheat at an average FoB price of \$252.17/ tonne for July shipment.

Australia raises its wheat production estimate around 2% from its December estimate of 23.22 million tonnes to 23.61 million tonnes. It raises its estimate due to timely rains in key growing regions of wheat like Queensland and New South Wales which may increase the yield prospects. Australia wheat may be hitting the market from April onwards; this may impact Indian wheat export negatively as buyers may shift towards them due to price disparity.

IGC Wheat Balance Sheet

(Quantity in MMT)

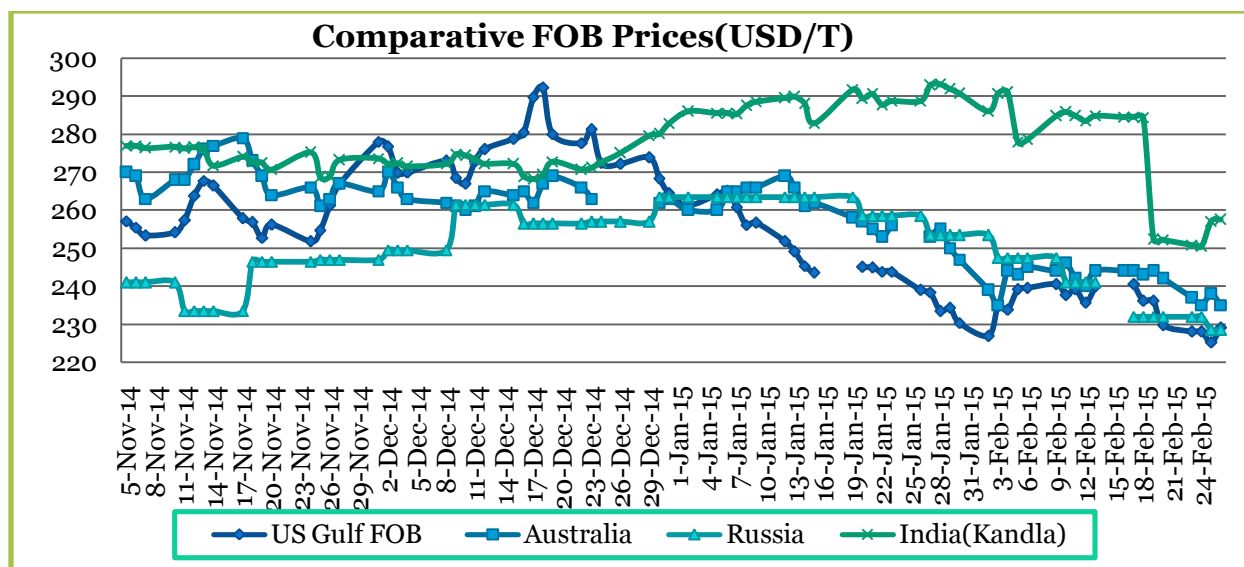
	2009-10	2010-11	2011-12	2012-13.	2013-14 Est	Forecast for 2014-15	
						22.01.2015	26.02.2015
Production	679	653	695	655	713	717	719
Trade	128	126	145	141	155	151	152
Consumptions	652	657	697	678	696	708	709
Carryover stocks	199	194	192	170	187	196	197
Y-O-Y change	27	-4	-1	-22	17	9	10
Major Export	79	73	68	50	54	63	64

Indicative FOB Quotes:

All prices are for SRW /milling grade, comparable to Indian quality	3 rd Nov 14	1 st Dec 14	6 th Jan 15	2 nd Feb 15
USA	262.00	278.00	265.20	226.90
France	217.23	234.45	239.58	240.41
United Kingdom	NA	NA	NA	NA
Australia	270.00	265.00	265.00	239.00
Russia	241.00	247.00	263.50	253.50
India	276.83	273.62	285.58	286.04

CBOT FUTURES CONTRACT:

CBOT Futures Prices: Date: 06.03.15 (USD/T)							
CONTRACT MONTH	06-Mar-15	Week ago (02 Mar 2015)	1 Month ago (09 Feb 15)	3 Month ago (09 Dec 14)	6 Month ago (09 Sept 14)	1 Year ago (10 Mar 14)	% Change over previous year
15-Mar	178.46	186.64	194.63	215.20	199.87	246.71	-27.66
15-May	177.27	183.70	194.81	216.58	203.91	247.44	-28.36
15-Jul	178.74	185.17	196.01	217.59	207.40	244.87	-27.01
15-Sep	182.05	188.20	198.76	220.62	211.62	246.07	-26.02
15-Dec	187.47	193.44	203.26	224.48	217.32	248.64	-24.60
16-Mar	192.61	197.39	206.02	227.79	220.81	250.11	-22.99

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 southern Queensland and northern New South Wales, scattered showers (5-25 mm) helped maintain generally good yield prospects for immature summer crops. Warmer-than-normal weather aided dry down of maturing summer crops, but may have increased irrigation requirements for immature cotton. Temperatures averaged about 1 to 2°C above normal, with maximum temperatures generally in the 30s degrees C.

Argentina- Moderate to heavy rain overspread Argentina's northern and western farming areas, maintaining adequate to locally excessive levels of moisture for summer crop growth. Weekly temperatures averaged near to below normal in western areas and up to 2°C above normal in the north and east. Daytime highs reached the middle and upper 30s (degrees C) on several days in the beginning of the week before the onset of the wet weather. Over the month of February, Cordoba was one of the wettest parts of Argentina, further recharging sub-soil moisture levels after earlier periods of dryness. However, the persistence of the rain resulted in localized flooding. In contrast, drier conditions have recently prevailed in lower sections of the Parana River Valley (northern Buenos Aires and neighboring locations in Santa Fe and Entre Rios), helping to alleviate earlier periods of wetness.

Russia and Ukraine: Warm weather prevailed, with showers in the west contrasting with sunny skies in eastern and southern growing areas. High pressure provided sunny skies along with above-normal temperatures (5-7°C above normal) over central and southern Russia, reducing winter crop cold hardiness and likely easing winter wheat out of dormancy in southern-most portions of the Southern District. Farther west, light to moderate showers (2-20 mm) sustained favorable soil moisture reserves for spring growth from Moldova into Ukraine, Belarus, and northwestern Russia, but winter crops remained dormant despite temperatures averaging 6 to 9°C above normal.

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. Market may test the first support level of 480 cent per bushel in the short term & 450 cent per bushel in medium term. We expect market to trade in the range of \$170 to \$200 per T.

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