

Domestic Market Updates:

Wheat physical market stayed steady to slightly firm during the week under review. Normal trading activities were seen in major bench mark markets. There is a gossip in the market that bulk users including local millers, DFM have procured considerable quantity of wheat this year in the beginning of the season at Rs 1325-1350 per qtl and have covered their lean season requirements to some extent.

Govt.'s release mechanism in the second quarter, beginning from July, of the year would be very crucial to direct the prevailing cash market sentiments. Govt. would release wheat through OMSS at Rs 1550 per qtl in Punjab, Haryana and Rajasthan from July, 2015. It would help to ease emerging tight supply side for FAQ varieties.

Rake loading from Kota, Baran, Bundi region of Rajasthan for Bangalore and Kerala is continued at Rs 1760/1780 per qtl. on delivered basis. Luster loss wheat for the same destination is being loaded at Rs 1690/1700 per qtl.

Local millers and DFM (Delhi Flour mill) are active in western markets of U.P and purchasing wheat at Rs 1550/Rs1560 per qtl. on delivered basis. Local millers are buying wheat at Rs 1460 to Rs 1470 per qtl. Major stake holders are taking position in NCDEX in forward contacts and it hints that price of wheat may move north ward from current level.

Total wheat procurement was registered at 271.68 lakh tons as on 04.06.2015 against 280.23 lakh tons till date last year. Punjab has contributed 99.52 lakh tons so far, followed by Haryana 67.55 lakh tons. M.P. contribution stands at around 72.61 lakh tons. Rajasthan has procured only 12.48 lakh tons. Overall procurement is lower by 3.05 percent this year.

South Indian Millers imported 1751.34 metric tons of wheat from Australia during the week ended 24th May, 2015 at Average CIF \$298.91 per ton at Tuticorin port. The highest and the lowest CIF value, was recorded at \$301 and \$296 per ton. More import is expected this week and volume may be higher.

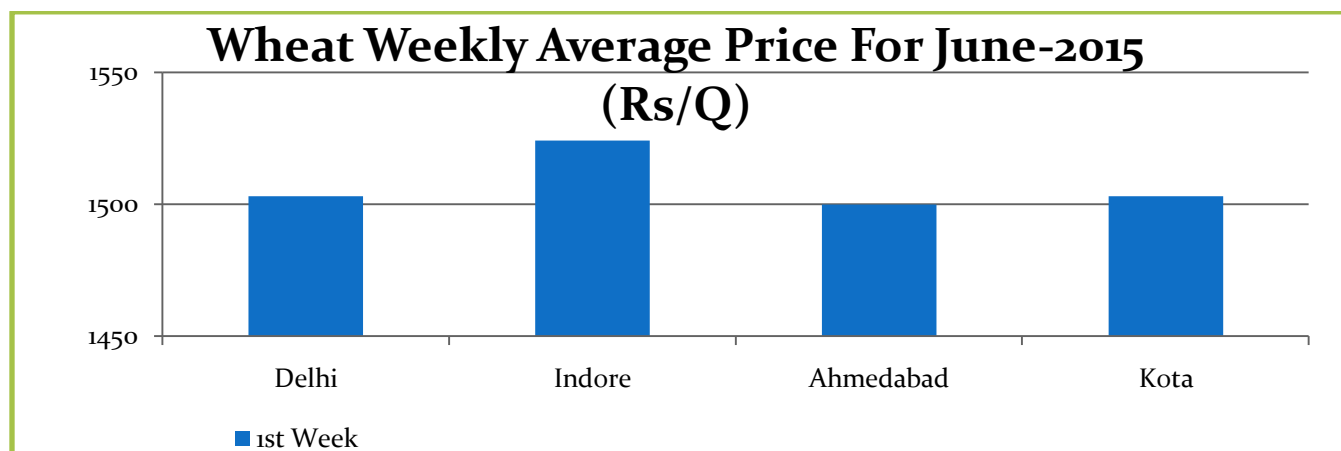
Indian wheat exporters managed to export 2581.86 tons wheat during the week ended 24th May, 2015. The export volume has come down from last week as prices of milling wheat in domestic market firmed up. Average FOB quote for exported quantity is \$278.52 per ton. The highest and the lowest quotes were registered at \$339.65 and \$24.96 per ton. Due to higher price gap, Indian exporters are unable to ship more quantity.

Agriculture statistics Division, DES has released Third Adv estimates of Production of food grains for 2014-15 on 13.05 2015. It has revised wheat production estimate down by 4.9 MMT to 90.78 MMT. In second Adv Est. production was estimated at 95.76 MMT. The drastic decrease in third Adv Est. is mainly attributed to inclement weather conditions in March and April. India has produced 95.85 million tons wheat in 2013-14.

Weather Outlook (first Week of June)

- The Southwest monsoon has further advanced into most parts of Assam & Meghalaya, entire Nagaland, Manipur, Mizoram & Tripura and Arunachal Pradesh and some parts of Sub-Himalayan West Bengal & Sikkim. The Northern Limit of Monsoon (NLM) now passes through Lat 13.0°N/Long. 60.0°E, Lat. 13.0°N/Long. 70.0°E, Mangaluru, Mysuru, Salem, Cuddalore, Lat. 14.0°N/Long. 86.0°E, Lat. 16.0°N/Long. 90.0°E, Lat. 21.0°N /Long. 92.0°E, Lat. 24.0°N /Long. 91.0°E, Dhubri and Gangtok.
- Conditions are favourable for further advance of southwest monsoon into some more parts of central Arabian Sea & Karnataka,

remaining parts of Tamilnadu, some parts of Rayalaseema and Coastal Andhra Pradesh and some more parts of central Bay of Bengal during next 48 hours.



Wheat Stock:

STOCKS OF WHEAT IN CENTRAL POOL AS ON 016.05.2015:	STOCK WITH FCI	STOCK WITH STATE AGENCIES	TOTAL IN CENTRAL POOL
EAST ZONE	8.53	0.00	8.53
NORTH EAST ZONE	0.66	0.00	0.66
NORTH ZONE	132.6	114.03	246.09
SOUTH ZONE	4.52	0.00	4.52
WEST ZONE	13.80	81.68	95.48
TOTAL	160.11	195.71	355.28

Note: Figures in Lakh Tons (Total stock including lying in mandis and in transit was registered at 3092.02 lakh tonne)

FOB Value as on 05.06.2015 from various destinations at Kandla:

Weekly Parity Sheet:

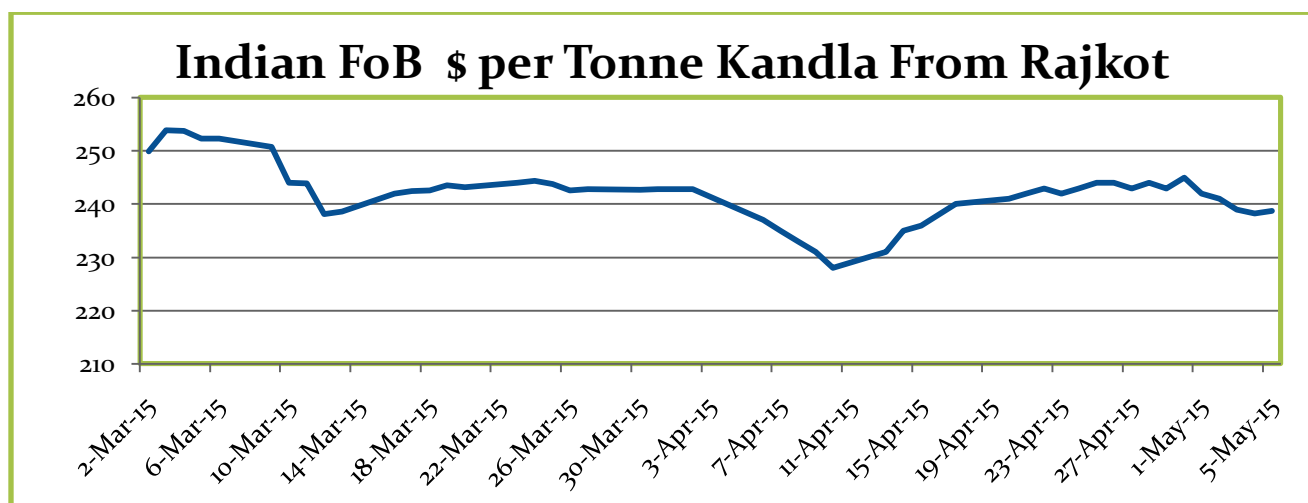
Parity Calculation	Rajkot (FOR)	Kota	Khagaria	Indore	Kosi	MSP	ECO.Cost
Basic cost of wheat (Rs/ton)	14600	14950	13200	15250	15000	15000	19100
Port and Handling Charges /Loading /Unloading /Clearing (Rs/ton)	650	650	650	650	650	600	0
Local transport, port warehousing, labour charges, shortage	0	1850	1900	1450	1550	1200	0
Indian FOB (Rs/MT)	15250	17450	15750	17350	17200	16800	19100
Indian FOB (USD/MT)	238.69	273.13	246.52	271.56	269.21	262.95	298.95
Insurance @ 0.1%	0.24	0.27	0.25	0.27	0.27	0.26	0.30
Freight Charges (US \$/ton) to Chittagong	18	18	18	18	18	18	18
CIF (kandla to Chittagong)	257	291	265	290	287	281	317
INR Value 63.49 (02.05.2015)	63.89	63.89	63.89	63.89	63.89	63.89	63.89
Russian Wheat FOB (USD/MT)	230	230	230	230	230	230	230
Parity on FOB Basis (USD/MT)	-9	-43	-17	-42	-39	-33	-69

Spot prices of wheat at NCDEX Delivery centers

NCDEX SPOT	Today	Week Ago	Month Ago	Year Ago	Change over previous Year %
	5-Jun-15	29-May-15	5-May-15	5-Jun-14	
Indore	1495	1485	1450	1510	-0.99
Bareilly	-	-	-	1515	-
Delhi	1540	1520	1515	1517	1.52
Khanna	-	-	-	-	-
Kanpur	1450	1440	1413	1480	-2.03
Karnal	-	-	-	-	-
Rajkot	1380	1376	1370	1550	-10.97
Kota	1485	1480	1500	1525	-2.62

Source: NCDEX; NCDEX delivery prices are inclusive of Mandi tax and other applicable state taxes along with handling & packaging costs.

India FOB, Kandla (USD/T)



*FoB Prices are of new wheat

Wheat Export Weekly Data:

18th to 24 May,2015	Destination	Quantity MT	Ave FOB Tuticorin	High	Low
Wheat Export	UAE,Taiwan	2581.86	278.52	339.65	224.96

Wheat Import Weekly Data:

18th to 24 May,2015	Source	Quantity MT	Ave CIF Tuticorin	High	Low
Wheat Import	Australia	1751.34	298.91	301.32	296.5

*Provisional Data (As per IBIS)

Wheat procurement Till 4th June, 2015:

States	Total During 2014-15	Target For 2015-16	Expected in 2015-16	4th June, 2015	4th June- 2014	% Ch till date
Punjab	116.41	125	118	99.52	116.41	-14.51
Haryana	64.95	65	60	67.55	64.94	4.02
UP	6.28	15	15	18.65	6.28	196.97
M.P.	70.94	78	65	72.61	70.94	2.35
Bihar	0	0	0.5			#DIV/o!
Rajasthan	21.59	20	15	12.48	21.58	-42.17
Uttarakhand	0.01	1.2	1			#DIV/o!
Chandigarh	0.05	0	0			#DIV/o!
Delhi	0	0	0			#DIV/o!
Gujarat	0	1	0.75	0.68		#DIV/o!
Jharkhand	0	0	0			#DIV/o!
HP	0	0	0			#DIV/o!
Maharashtra	0	0.2	0.2			#DIV/o!
J&K		0	0			#DIV/o!
West Bengal	0	0.2	0			#DIV/o!
Others	0	0.4	0.4	0.19	0.08	137.50
TOTAL	280.23	306	275.85	271.68	280.23	-3.05

Wheat procurement is down by 3.05 percent till 4th June, 2015.

Domestic Key Spot Market Weekly Price Comparison:

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			5-Jun-15	29-May-15	
Delhi	Lawrence Road	Mill Delivery	1535	1500	35
	Narella	Mill Quality Loose	1465	1450	15
	Nazafgarh	Mill Quality Loose	1450	1450	0
Gujarat	Rajkot	Mill Delivery	1420	1410	10
	Ahmedabad	Mill Delivery	1510	1490	20
	Dhrol	Mill Delivery	1350	1330	20
	Surat	Mill Delivery	1535	1520	15
M.P.	Bhopal	Lokwan	1650	1700	-50
	Indore	Mill Delivery	1500	1485	15
Rajasthan	Kota	Mill Quality Loose	1390	1390	0
		Mill Delivery	1495	1470	25
	Kanpur	Mill Delivery	1545	1550	-5
U.P.	Mathura	Mill Quality Loose	1360	1350	10
	Kosi	Mill Quality Loose	1325	1300	25

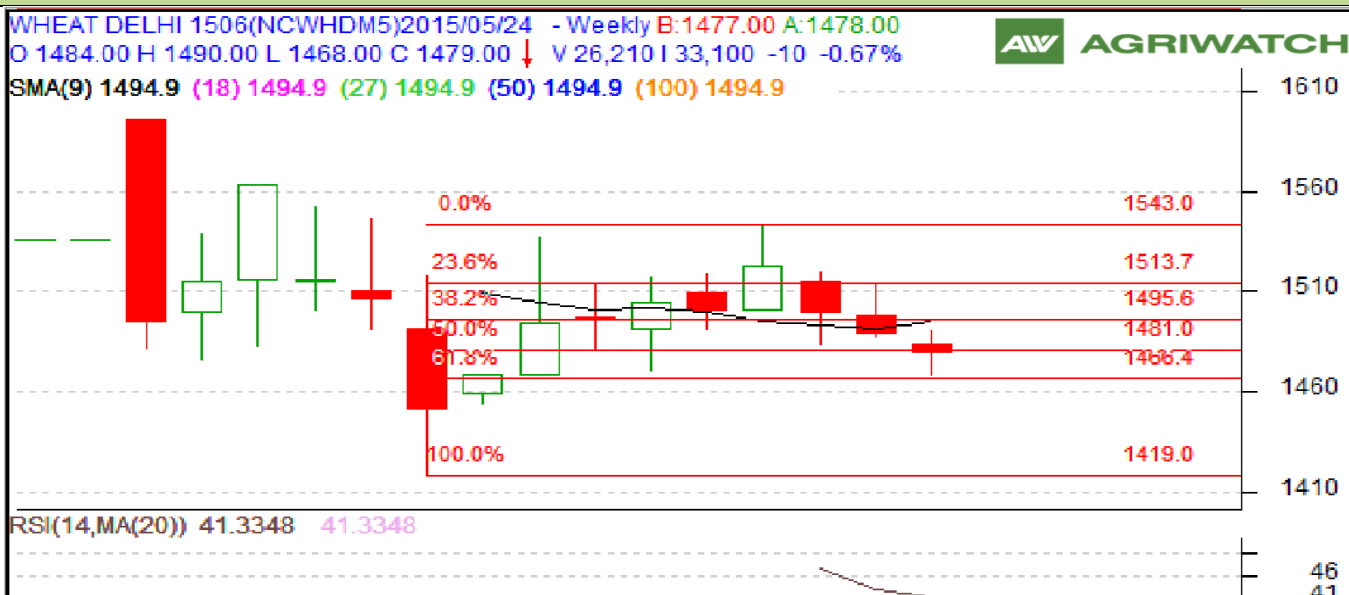
	Hathras	Mill Quality Loose	1335	1340	-5
	Aligarh	Mill Quality Loose	1360	1350	10
	Khanna	Mill Quality Loose	1450	1450	0
Punjab	(Ludhiana)Jagraon	Mill Delivery	1520	1520	0
Haryana	Sirsa	Mill Delivery loose	1470	1465	5

Technical Analysis:

Commodity: Wheat

Exchange: NCDEX

Contract: June

Expiry: 20th June, 2015**Wheat (Weekly Chart)****Technical Commentary:**

- Candle stick chart depicts weak tone in the market.
- Fall in price and fall in O.I. indicates long liquidation.
- RSI is moving down in neutral zone hints downward movement.

Strategy: Buy on dip

Intraday Supports & Resistances			S2	S1	PCP	R1	R2
Wheat	NCDEX	June	1460	1441	1480	1495	1528
Intraday Trade Call*			Call	Entry	T1	T2	SL
Wheat	NCDEX	June	Buy above	1466	1481	1495	1459

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

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

Wheat Futures Contact: NCDEX Price Date: 04.05.2015

Contract Month	Today(03.06.15)	Yesterday29.05.2015	Week Ago 25.5.15)	Month Ago(01.05.15)	Ch % from month ago
15-Jun	1484	1483	1473	1500	-1.08
15-Jul	1515	1510	1500	1501	0.92
15-Aug	1547	1542	1528	1541	0.39

International Market Updates:

Favorable spring weather and a larger sowing area will help Ukraine and Russia, two major Black Sea wheat producers, increase harvests this year. Ukraine, which increased the area sown for winter wheat by about 10 percent, is likely to harvest 23 million tons of wheat this year versus 24.1 million tons in 2014. It gives Ukraine an exportable surplus of around 10 million tons for the 2015/16 season. Ukraine might lose at least one million tons of grain because of conflict in the east of the country.

Global wheat production in 2015/16 was forecast at 715 million, up from a previous projection of 705 million but below last season's 721 million. The IGC raised its forecast for wheat crops in China (127 million from 118 million), Russia (55 million from 52 million) and Ukraine (21 million from 20 million). The revisions were partially offset by lower forecasts for India (91 million from 94 million) and the United States (58.2 million from 59 million).

Russian Govt is considering a proposal that would restrict wheat shipment from the country. The reason behind this proposal, when new crop has started hitting the market, is to protect their livestock farmers, from increasing feed costs. Under this proposal, if implemented, tax would be applied from 1st July (the beginning of the MY 2015-16) on wheat shipment. Tax may be at least 1 ruble per Ton and may be more if contract prices rise above \$220 per ton. Prices for next season's crop rose 2.7 percent to \$190 a ton in the week to May 18.

Japan Agriculture ministry invites tender to buy over one lakh ton food quality wheat from US and Canada. Japan keeps a tight grip on imports of the country's second most important staple after rice and buys the majority of the grain for milling via tenders typically issued three times a month. Japan will buy western white and hard red winter from US and western red spring, having protein content of minimum 12.5 percent, from Canada.

Iraq is in process of buying hard wheat and has invited tender for 50000 tons wheat on 26th May, 2015. Tender will close by 7th June and offer will be valid up to 11th June. Iraq may source wheat from US, Canada, Australia and Russia. Delivery is expected between Mid Sept to Oct. Iraq is seeking wheat with 11 percent protein content on a 12 percent moisture basis. Iraq generally buys higher quantity than mentioned quantity in tender.

The USDA has estimated its initial global wheat ending stock for 2015-16 at 203.32 million ton, up by 2.35 million tons estimated for 2014-15 crop. It is higher than pre trade estimate of 194.2 million tons. Global wheat production for 2015-16 has been projected at 718.93 million tons. However it is lower than the estimate of 726.45 million tons estimated for 2014-15. If the forecast materializes, it would be the second highest record of global wheat production.

The USDA has projected global wheat consumption for 2015-16 at 716.59 million tons in comparison to forecast of 715.46 million tons for 2014-15. Export has been projected to be lower at 156.95 million tons in 2015-16 in comparison to 163.7 million tons estimated for 2014-15.

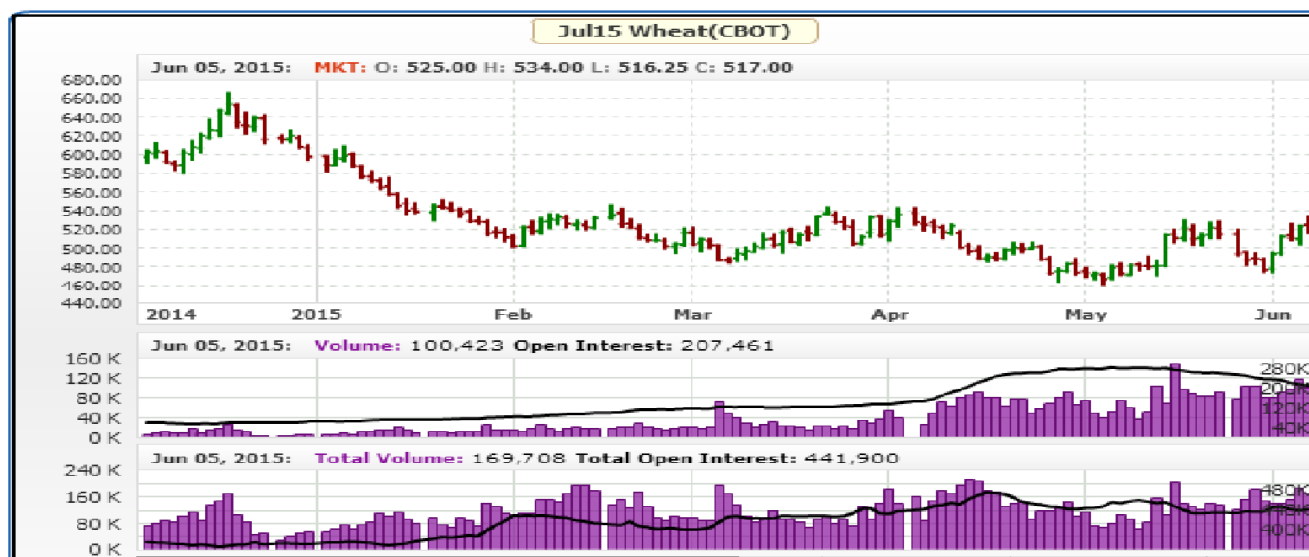
IGC Wheat Balance Sheet:

(Quantity in MMT)

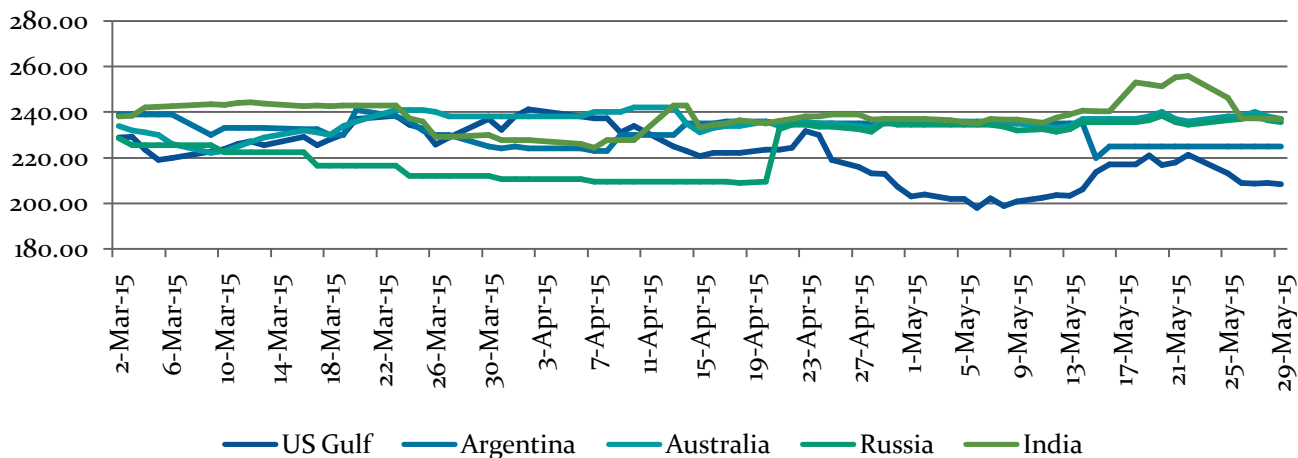
	2010-11	2011-12	2012-13.	2013-14 Est	2014-15 F'cast	2015-16 Projection	
						23.04.2015	28.05.2015
Production	653	695	655	713	721	705	715
Trade	126	145	141	155	153	151	149
Consumptions	657	697	678	696	710	711	715
Carryover stocks	194	192	170	187	200	194	200
Y-O-Y change	-4	-1	-22	17	11		0
Major Export	73	68	50	54	67	65	67

CBOT FUTURES CONTRACT:

CBOT Futures Prices:(USD/T)						
CONTRACT MONTH	Today	Week Ago	Month Ago	6 Month Ago	Year Ago	% Change over previous year
	4-Jun-15	28-May-15	4-May-15	4-Dec-14	4-Jun-14	
15-Jul	192.43	179.57	171.39	219.98	225.77	-14.77
15-Sep	194.45	181.68	174.42	222.64	229.63	-15.32
15-Dec	199.50	187.19	180.49	226.78	237.52	-16.01
16-Mar	204.46	192.70	189.30	229.81	257.82	-20.70
16-May	207.67	196.10	193.53	229.07	258.56	-19.68
16-Jul	209.51	197.66	196.10	225.40	252.59	-17.05

CBOT May-15 Future Charts:International FOB prices Weekly price Movement (USD/T):

Indicative global Wheat FoB \$ per Tonne



International Weather update: (Source-USDA)

Australia- During the first half of the week, widespread showers (5- 25 mm, locally more) overspread the wheat belt, benefiting recently sown wheat and other crops. Warm, sunny weather returned during the latter half of the week, aiding winter crop germination and emergence. There is considerable concern within Australia that the intensifying El Niño may have a significant negative impact on winter crops later in the growing season. Despite this concern, near- to above-normal precipitation has fallen across the wheat belt since early April, helping maintain good to excellent early-season yield prospects.

Argentina- Following several weeks of favorable dryness, rain returned to portions of Buenos Aires, disrupting summer crop harvesting but providing additional moisture for the upcoming winter grain season. Rainfall totaled more than 50 mm in northern and eastern sections of the Province; generally drier conditions prevailed elsewhere in central Argentina, maintaining a rapid pace of corn and soybean harvesting. Mostly dry weather also continued in the northwest, favoring seasonal fieldwork that included winter grain planting. Untimely rain (25-100 mm) persisted in the northeastern cotton belt (northern Santa Fe to Formosa), although amounts were generally lower than those recorded last week and the showers were more scattered in nature.

Russia and Ukraine- Wet weather slowed spring wheat sowing in the north but maintained favorable supplemental moisture supplies for irrigated crops in the south. A slow-moving storm system generated 15 to 50 mm of rain across most key growing areas of northern Kazakhstan and south-central Russia, hampering spring wheat planting efforts for much of the week. Spring wheat is typically planted during May, and crop areas in the southern Urals District and neighboring portions of northern Kazakhstan have received 200 to 400 percent of normal rainfall over the past 30 days (as of May 24). However, drier weather at the end of the week, allowed producers to resume fieldwork.

International Weekly Outlook:

Crop loss and US wheat growing belt supported cbot wheat market but firmness could not sustain due to pressure from Black Sea Region crop and improved weather condition in US wheat growing belt. CBOT wheat market may dip further in the near term. Export sales figures from US data are not very encouraging and IGC has revised global production estimate from 705 to 715MMT. All these developments hint towards steady to weak global market.

Disclaimer: The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php> © 2015 Indian Agribusiness Systems Pvt Ltd.