Domestic Market Updates:

With the start of festive season and rains arrivals have started affecting the cash market sentiment. Wheat prices have increased by Rs 20 to Rs 30 per qtl. during the week under review. Varieties like Tukra,Lok-1,Sharbati prices moved up sharply while milling grade below average quality inched up slightly. There is a common view in the market that superior grade wheat would continue to trade higher.

India has exported 15794.28 tonne wheat in the first week of July till 5th, at an ave FOB price of $301.25 per tonne (FAQ quality). During the same period wheat import was registered at 9550 tonne at an Ave CIF of $285.78 per tonne. Wheat has been imported from Australia and is likely to continue as deals have already been struck.

Wheat stock in central pool was registered at 386.80 lakh tonne on 1st ,July,2015.It is 2.81 percent lower than the stock available in July ,2014.The reason for lower stock is mainly attributed to lower procurement this year(around 276 lakh tonne).It is lower by 4.14 percent in comparison to June,2015 stock..

Under stocking norms and strategic reserve, India needs 245 and 30 lakh tonne wheat on 1st July,2015. As against this, the total availability was 386.80 lakh tonne on 1st,July, higher by111.80 lakh tonne than the actual requirement. As wheat stock in central pool is higher, govt. may release additional quantity to keep prices under check through various modes of allocations.

Total wheat procurement was registered at 276.19 lakh tonne as on 25.06.2015 as against 270.68 lakh tonne till date last year. Punjab has contributed 99.52 lakh tonne so far, followed by Haryana 67.55 lakh tonne. M.P. contribution stands at around 72.61 lakh tonne. Rajasthan has procured only12.95 lakh tonne. Overall procurement is up by0.46 percent this year.

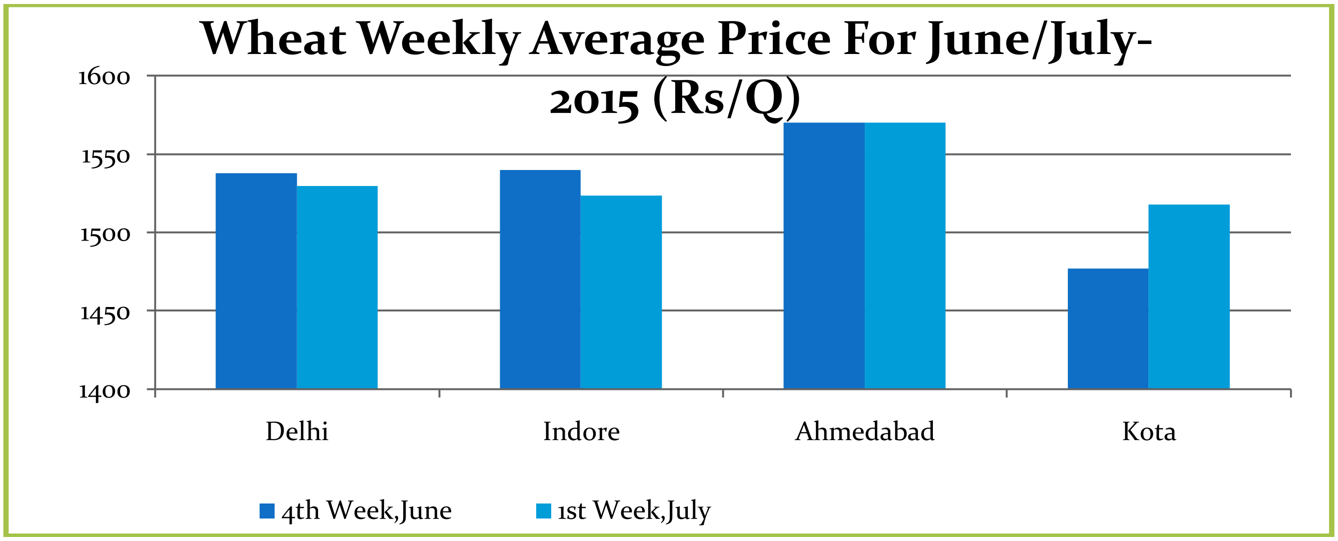
Agriculture statistics Division, DES has released Third Adv. estimates of Production of foodgrains for 2014-15 on 13.05 2015.It has revised wheat production estimate down by 4.9 MMT to90.78 MMT. In second Adv Est. production was estimated at95.76 MMT. The drastic decrease in third Adv .Est is mainly attributed to inclement weather conditions in March and April. India has produced 95.85 million tonne wheat in 2013-14.

Weather OutLook For(Third Week of July,2015)

The southwest monsoon was active over Chhattisgarh, East Madhya Pradesh, Gangetic West Bengal a andNagaland, Manipur, Mizoram & Tripura. The low pressure area over Jharkhand & adjoining West Bengal and Bihar persists. Associatedupper air cyclonic circulation extending upto 5.8 km above mea n sea level also persists.The axis of monsoon trough at mean sea level passes through Ganganagar, Hi ssar, Kanpur,Varanasi, centre of low pressure area over Jharkhand & adjoining West Bengal and Biha r, Digha andhence southeastward to northeast Bay of Bengal and extends upto 2.1 km above mean se a level.

Rainfall:

Heavy to very heavy rainfall would occur at isolated places over Uttarakhand and Madhya Pradesh. Heavy rainfall would occur at isolated places over Jammu & Kashmir, HimachalPradesh, Uttar Pra desh, East Rajasthan, SubHimalayan West Bengal & Sikkim, ArunachalPradesh, Assam & Me ghalaya, Coastal & South Interior Karnataka and Kerala.



Wheat prices moved up in major bench mark markets of wheat, except Delhi and Indore. Prices of wheat decreased slightly in Delhi and Indore while it moved up in Kota and Ahmedabad during the week under review. Market participants expect recovery in wheat price in all markets this week as arrivals have declined considerably in last two weeks. Rains affected arrivals and festive demand may push wheat prices up in the weeks ahead.

Wheat Stock: As on 1st July,2015:

STOCKS OF WHEAT IN CENTRAL POOL AS ON 01.07.2015:	STOCK WITH FCI	STOCK WITH STATE AGENCIES	TOTAL IN CENTRAL POOL
EAST ZONE	7.82	0	7.82
NORTH EAST ZONE	0.81	0	0.81
NORTH ZONE	158.51	116.05	274.56
SOUTH ZONE	3.23	0	3.23
WEST ZONE	12.95	83.62	96.57
TOTAL	183.32	199.67	382.99

Note: Fig In Lakh T, Total includes stock in Mandis and in transit too.

FOB Value as on 09.07.2015 from various destinations at Kandla:

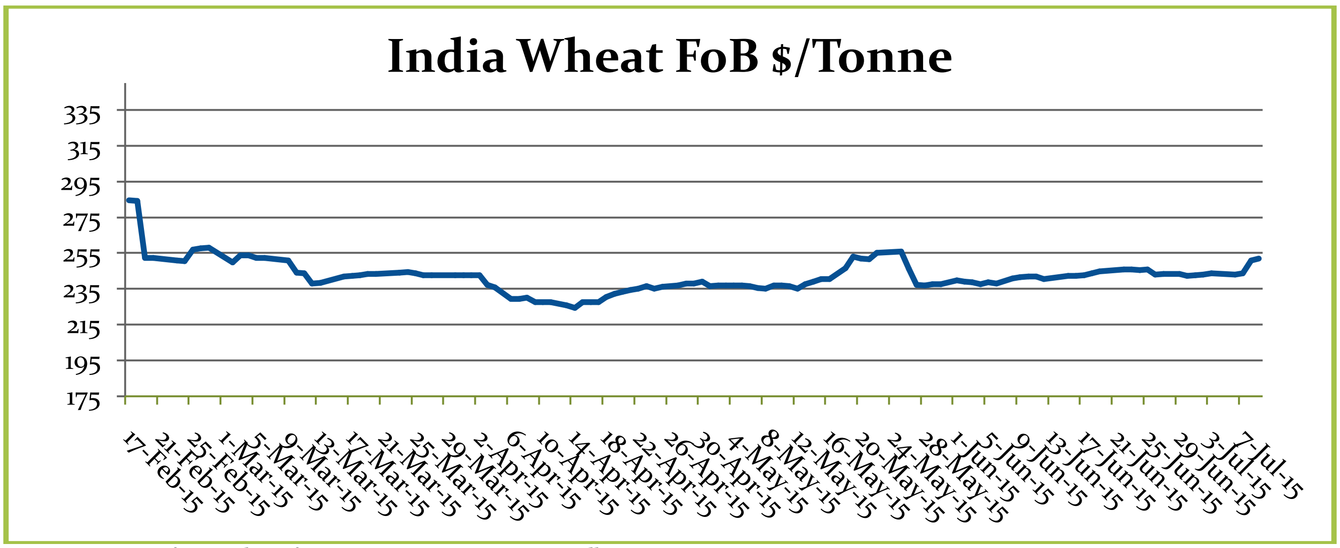
Parity Calculation	Rajkot (FOR)	Kota	Khagaria	Indore	Kosi	MSP	ECO.Cost
Basic cost of wheat (Rs/ton)	15350	15500	14250	15400	NA	14500	20400
Port and Handling Charges /Loading /Unloading /Clearing (Rs/ton)	650	650	650	650	650	600	0
Local transport, port warehousing, labour charges, shortage	0	1850	1900	1450	1550	1200	0
Indian FOB (Rs/MT)	16000	18000	16800	17500	2200	16300	20400
Indian FOB (USD/MT)	**251.97**	**283.46**	**264.57**	**275.59**	**34.65**	**256.7**	**321.26**
Insurance @ 0.1%	0.25	0.28	0.26	0.28	0.03	0.26	0.32
Freight Charges (US $/ton) to Chittagong	18	18	18	18	18	18	18
CIF (kandla to Chittagong)	270	301	283	294	53	275	339

INR Value 63.49 (09.07.2015)	63.5	63.5	63.5	63.5	63.5	63.5	63.5
Russian Wheat FOB (USD/MT)	**230**	**230**	**230**	**230**	**230**	**230**	**230**
Parity on FOB Basis (USD/MT)	**-22**	**-53**	**-35**	**-46**	**195**	**-27**	**-91**

Spot prices of wheat at NCDEX Delivery centers

NCDEX SPOT	Today	Week Ago	Month Ago	Year Ago	Change over previous Year %
	9-Jul-15	2-Jul-15	9-Jun-15	9-Jul-14	
Indore	1512	1497	1495	1605	-5.79
Bareilly	-	-	-	1538	-
Delhi	1551	1540	1537	1532	1.24
Khanna	-	-	-	-	-
Kanpur	1445	1445	1470	1500	-3.67
Karnal	-	-	-	-	-
Rajkot	1466	1436	1393	1580	-7.22
Kota	1540	1514	1495	1561	-1.35

India FOB, Kandla (USD/T):



FoB Prices are of new wheat from Saurastra Region to Kandla

Wheat Export Weekly Data:

Wheat Export	Quantity MT	Ave FOB Kandla($/T)	High	Low
18-24May2015	2581.86	278.52	339.65	224.96
25.-30 May2015	2388.34	268.93	345.19	234
31-May to 7th June-15	3872.38	267.86	362.32	219.78
8th June to 14 June-15	6459.2	259.32	337	222.17
15th to 21st ,June -15	3624.07	273.88	337.52	238.93
22to 28,June-15	3432.95	273.75	338.58	229.12
29th to 5th ,July-15	27923.64	270.58	361.23	236.58

Export volume improved significantly last week from3432.95 to27,923.64 tonne in the 1st week of July.

Wheat Import Weekly Data:

Wheat import	Quantity MT	Ave CIF Tuticorin	High	Low
18-24May,2015	1751.34	298.91	301.32	296.5
25-30 May-2015	10004.9	302.95	330	295
31 May to7th June-15	2082.72	303.31	325.82	289.89
8th to 14 june-15	61750.43	288.17	297.14	270.73
15to21,June-15	5745.03	295.85	318.15	270.73
22 to 28,June-15	27,500	268.78	268.78	268.78
29 to 5th July-15	15994.28	301.25	313.61	240

Source:*Provisional Data (As per IBIS)

Wheat ProcurementTill25th June,2015:

States	Total During 2014-15	Target For 2015-16	Expected in 2015-16	25th June,2015	25th ,June,2014	% Ch till date
Punjab	116.41	125	118	99.52	112.41	-11.47
Haryana	64.95	65	60	67.55	64.16	5.28
UP	6.28	15	15	22.67	5.28	329.36
M.P.	70.94	78	65	72.61	70.94	2.35
Bihar	0	0	0.5			#DIV/0!
Rajasthan	21.59	20	15	12.95	21.54	-39.88
Uttrakhand	0.01	1.2	1	0.046	0.0046	900.00
Chandigarh	0.05	0	0	0.046	0.0108	325.93
Delhi	0	0	0	0.01787	0	#DIV/0!
Gujarat	0	1	0.75	0.7	0	#DIV/0!
Jharkhand	0	0	0			#DIV/0!
HP	0	0	0			#DIV/0!
Maharashtra	0	0.2	0.2			#DIV/0!
J&K		0	0			#DIV/0!
West Bengal	0	0.2	0			#DIV/0!
Others	0	0.4	0.4	0.09	0.58	-84.48
TOTAL	**280.23**	306	275.85	276.19	274.92	0.46

Wheat procurement is up by 2.14 percent till19th June,2015.

Domestic Key Spot Market Weekly Price Comparison:

Spot Market Price:

Centre	Market	Variety	Prices (Rs/Qtl) Today 9-Jul-15	Yesterday 8-Jul-15	Week Ago 2-Jul-15	Month Ago 9-Jun-15	Year Ago 9-Jul-14
Delhi	Lawrence Road	Mill Delivery	1540	1545	1530	1525	1535
	Narella	Mill Quality Loose	NA	Closed	1475	1475	1480
	Nazafgarh	Mill Quality Loose	1450	Closed	1450	1450	1460
Gujarat	Rajkot	Mill Delivery	1465	1465	1450	1425	1600
	Ahmedabad	Mill Delivery	1580	1585	1560	1520	1675

	Dhrol	Mill Quality Loose	NR	1380	1375	1315	NA
	Surat	Mill Delivery	1615	1615	1580	1540	1700
M.P.	Bhopal	Mill Quality Loose	1425	1435	1425	1400	1480
	Indore	Mill Delivery	1540	1540	1525	1500	1600
Rajasthan	Kota	Mill Quality Loose	1440	1440	1415	1390	1480
		Mill Delivery	1550	1550	1510	1460	1550
U.P.	Kanpur	Mill Delivery	1530	1540	1545	1545	1490
	Mathura	Mill Quality Loose	1370	1380	1400	1360	1425
	Kosi	Mill Quality Loose	1400	1400	1400	1350	1420
	Hathras	Mill Quality Loose	NR	NR	1340	NA	1400
	Aligarh	Mill Quality Loose	1380	1400	1380	NA	NA
Punjab	Khanna	Mill Quality Loose	1480	1480	1470	1450	1410
	Ludhiana (Jagraon)	Mill Delivery	1550	1550	1550	1500	1500
Haryana	Sirsa	Mill Delivery loose	1500	1500	1500	1470	1421
	Hodal	Mill Delivery	1520	1520	1520	1520	1555
	Karnal	Mill Quality Loose	NA	NA	NA	NA	1485
	Bhiwani	Mill Quality Loose	1450	1450	1440	1425	1400
	Panipat	Mill Quality Loose	NA	NA	NA	1450	NA
Tamil Nadu	Chennai	Mill Quality	1725	1725	1750	1700	1800
	Madurai	Mill Quality	1782	1782	1807	1757	1857
	Coimbatore	Mill Quality	1782	1782	1807	1757	1857
Bihar	Sitamari	Mill Delivery	1420	1410	1410	1410	1525
	Khagariya	Mill Delivery	1425	1400	1400	1320	1450

Technical Analysis:

Commodity: Wheat **Exchange: NCDEXContract: July** **Expiry: 20th August, 2015**

Wheat (Weekly Chart)

Technical Commentary:

- Candle stick chart depicts weak tone in the market.
- Rise in priceand rise in O.I. indicate long build up.
- RSI is moving down in neutral zone hints downward movement.

Strategy: Sell On Rise

Weekly Supports & Resistances			**S2**	**S1**	**PCP**	**R1**	**R2**
Wheat	NCDEX	August	1485	1509	1529	1549	1565
Intraday Trade Call*			**Call**	**Entry**	**T1**	**T2**	**SL**
Wheat	NCDEX	August	**Sell Below**	1544	1520	1510	1548

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

Domestic Weekly Outlook:

Month of July started with firm tone and touched its high in the second week of the review period. Short supply of milling grade wheat in cash market and short covering by local millers remain supportive to the cash market fundamental. Festive season starts from this month and demand for wheat products is likely to increase from mid-July. It may once again push wheat price up. Wheat release through OMSS at Rs1550 per qtl from central pool stock (Punjab/Haryana) would not help much to quench thirst for flour millers’ needs. So, local millers would prefer to source wheat from cash markets. This year quality of wheat is not good and govt has procured wheat, relaxing fixed norms, and market participants are aware of it. There is no demand for export despite bullish global market and wheat meant for export in private hands may flow to millers’ hands first, at higher than prevailing market price, due to good quality. It may push wheat price up in the weeks ahead.

International Market Updates:

IGC has revised global wheat production estimate down by 4 million tonne to 711 MMT for 2015-16.The reason for downward revision is mainly attributed to lower production in India(from 91 to 89 MMT now),Australia(from 27 to 25.5 MMT)andEU(from 150 to 148.5 MMT).However,it has revised Ukraine wheat production estimate up from21 to 22 MMT.

Egypt's state grain buyer-GASC has bought 1.8 lakh tonne of Russian and Ukrainian wheat in a tender for Aug. 11-20 shipment.It bought 60,000 tonnes of Russian wheat from Cargill, another 60,000 tonnes of Russian wheat from Olamand 60,000 tonnes of Ukrainian wheat from Olam.It has bought wheat at an average price of $212.26 a tonne cost and freight, 60,000 tonnes of Russian wheat from Cargill at $202 a tonne on a free-on-board (fob) basis and $10 a tonne freight from National Navigation 60,000 tonnes of Russian wheat from Olam at $202.40 a tonne fob and $10 a tonne freight from National Navigation 60,000 tonnes of Ukrainian wheat from Olam at $200.50 a tonne fob and $11.88 a tonne freight from National Navigation.

Wheat price in Russia is likely to increase this week again taking clue from firm global market and rains in southern wheat growing region in Russia.Rains in Russia may damage quality of standing crop ready to be harvested now.Russia is selling wheat,having 12.5 percentprotein content, in comingmonths from new crop at $192 per tonne free on board basis.The FoB quote has increased by $2 per tonne in last one week.It may move up to $195 per tonne this week.Domestic prices for third-class wheat were up 125 roubles comparedto a week earlier at 9,500 roubles ($171) per tonne in the European part of Russia on an ex-works basis

Korea's private flour miller has bought31,700 tonne milling grade wheat from Australia, scheduled to be delivered in November,2015.The purchase comprised 26,500 tonnes of soft white wheat of 10.3 to 11.0 percent protein content, bought at around $252 to $255 a tonne fob, and 5,200 tonnes of hard wheat of a minimum 11.5 percent protein, bought at between $258 and $259 a tonne fob.

Russian wheat exporters offer wheat to Iraq at $231.00 a tonne c&f free out in the tender for hard wheat.The tender closed on Sunday and offers must remain valid up to June 18. Russian wheat exporters were also offered at $233.00 and $236.50 a tonne c&f free out.One offer for U.S. wheat was made at $285.42 a tonne c&f free out, the lowest offer for Australian origin was $267.50 c&f free out and the lowest from Canada was $266.00 a tonne c&f free out.

IGC Wheat Balance Sheet:

(Quantity in MMT)

IGC Forecast(Fig-In MMT)	2012-13.	2013-14 Est	2014-15 F'cast	2015-16 Projection	
				28.04.2015	25.06.2015
Production	655	712	721	715	711
Trade	142	156	153	149	149
Consumptions	677	696	710	715	713
Carryover stocks	171	187	198	200	196
Y-O-Y change	-21	16	10	0	-2

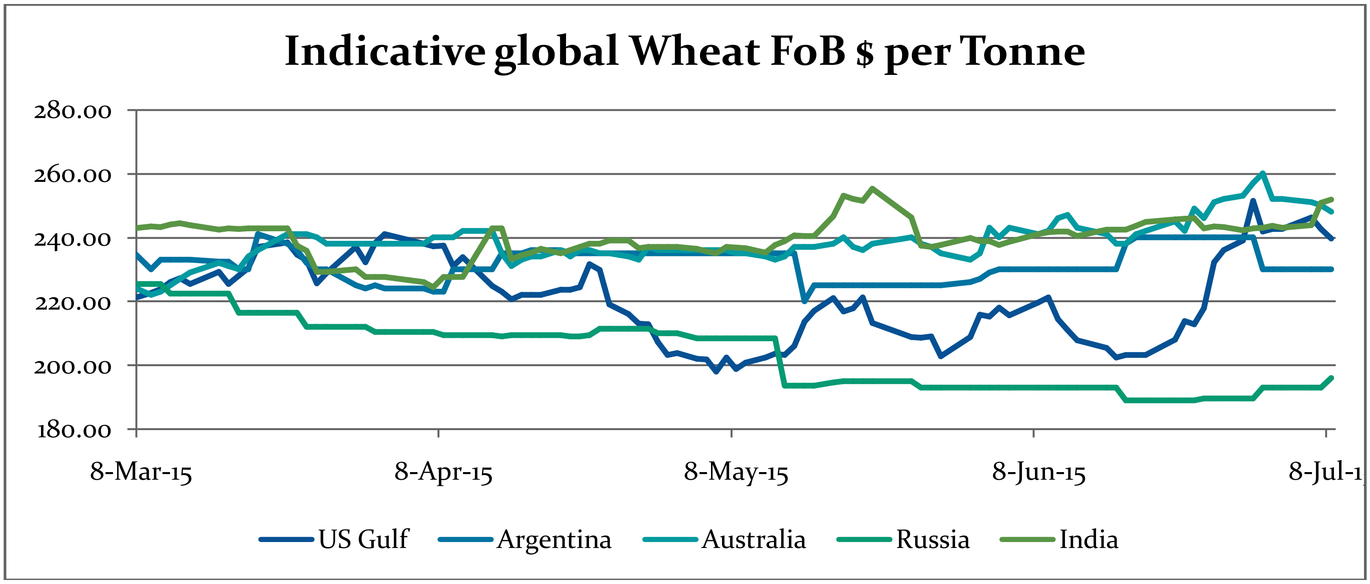
Major Export	51	55	64	67	65

CBOT FUTURES CONTRACT:

CBOT Futures Prices:(USD/T)							
CONTRACT MONTH	**Today**	**Week Ago**	**Month Ago**	**3 Month Ago**	**6 Month Ago**	**Year Ago**	**% Change over previous year**
	8-Jul-15	**1-Jul-15**	**8-Jun-15**	**8-Apr-15**	**8-Jan-15**	**8-Jul-14**	
15-Jul	210.24	215.85	193.99	192.43	211.90	200.32	**4.95**
15-Sep	212.17	216.21	196.19	195.55	214.29	204.37	**3.82**
15-Dec	214.84	219.25	200.60	200.78	218.33	213.18	**0.78**
16-Mar	217.32	222.19	205.01	205.74	220.16	242.48	**-10.38**
16-May	218.42	223.75	207.95	209.23	219.52	240.83	**-9.31**
16-Jul	216.95	222.19	209.79	209.97	216.21	238.26	**-8.94**

CBOT May- 15FutureCharts:

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



International Weather update: (Source-USDA)

Australia- bulk of the rains occurredin Western and Southern parts of Australia -in wheat belt, providing little additional moisture for vegetative winter grains. More widespread, albeit light showers fell across Victoria and southern New South Wales, aiding wheat, barley, and canola emergence and establishment. In northern New South Wales, widely scattered showers helped maintain local moisture supplies for vegetative winter grains. Elsewhere in northern New South Wales and in southern Queensland, dry weather reduced moisture supplies for wheat and other winter crops, slowing early crop development.
Argentina-Warm, dry weather sustained rapid rates of summer crop dry-down and harvesting. The main agricultural areas of central and northern Argentina recorded little to no rainfall; weekly temperatures averaging 2 to 6°C above normal enhanced the drying. Conditions were particularly welcome in the northeastern cotton belt (including Chaco and Formosa), where the lingering effects of earlier wetness hampered fieldwork. Wheat planting was reportedly underway in locations where moisture was available.

Russia and Ukraine-Showers and thunderstorms renewed planting delays in western spring wheat areas, though pockets of dry weather enabled fieldwork to proceed locally. After last week'swelcomed dry spell across northern Kazakhstan and Russia's southern Urals District, moderate to heavy showers (10-55 mm) led toplanting delays for spring wheat. Spring wheat is typically planted during May, and reports from the field indicated substantial delays due to abnormally wet weather during the month. Despite the mostly unsettled conditions, crop areas from the south-central Urals District into northwestern Kazakhstan benefited from dry, hot weather (up to 8°C above normal).

<u>International Weekly Outlook</u>:

Global wheat market is likely to trade steady to slightly firm due to US lower crop size, below normal prospects for Australian wheat. Likely imposition of export tax by Russia may be supportive for global wheat market. Besides downgraded production estimate by IGC from715 to 711 MMT remains supportive in the near term. However, any one way spike is unlikely as there islot of wheat in global market. Overall sentiment for July remains firm.