

Domestic Market Updates:

Cash wheat market trades firm on continuous demand from local millers and slower release from private stockists. Tight supply side for premium/milling grade wheat may push market further up in the weeks ahead. Bulk users of wheat may turn to central pool stock. However, concern over quality still remains intact. Lower supply of milling/premium grade may push price further up from current level.

Rake loading for South Indian markets is being done from Kota region of Rajasthan at Rs 1780/1785 per qtl. South Indian millers (Karnataka) have struck forward deals for mid August delivery at Rs 1810/20 per tonne. Some Millers in Kerala have imported wheat from Australia and more shipment is expected in August.

India has exported 1888.59 tonne wheat in the third week of July till 19th at an ave FOB price of \$266.33 per tonne. During the same period wheat import was registered at 35115 tonne at an Ave CIF of \$263.85 per tonne. Wheat has been imported from Australia at Tuticorin port and is likely to continue as deals have already been struck.

Wheat stock in central pool was registered at 379.71 lakh tonne on 16th, July, 2015. The off-take from central pool stock is lower in the first fortnight of July. However, firming of cash market and short supply of premium and milling grade wheat may encourage millers towards govt.'s stock.

Total wheat procurement was registered at 280.88 lakh tonne as on 14.07.2015 as against 271.66 lakh tonne during same period last year. Punjab has contributed 103.44 lakh tonne so far, followed by Haryana 67.78 lakh tonne. M.P. contribution stands at around 73.09 lakh tonne. Rajasthan has procured only 13.0 lakh tonne. Overall procurement is up by 3.39 percent this year.

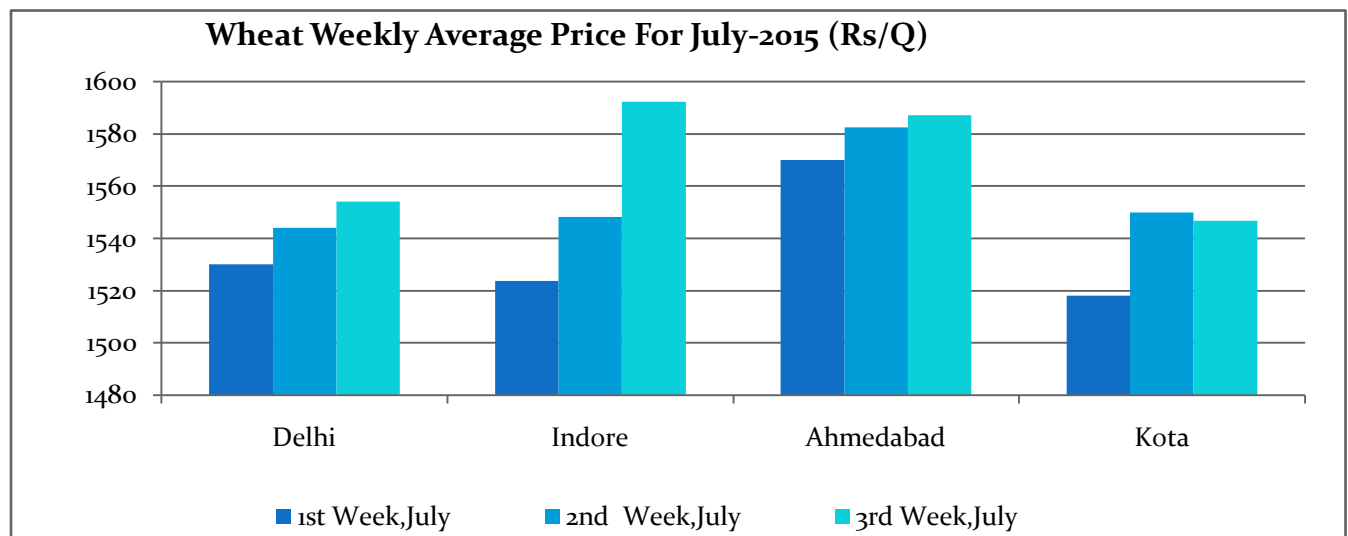
Agriculture statistics Division, DES has released Third Adv. estimates of Production of foodgrains for 2014-15 on 13.05 2015. It has revised wheat production estimate down by 4.9 MMT to 90.78 MMT. In second Adv Est. production was estimated at 95.76 MMT. The drastic decrease in third Adv .Est is mainly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

Traders expect below 90 million tonne wheat crop this year against govt.'s estimate of around 90.76 million tonne. Agriwatch estimates 91.14 million tonne wheat production this year. Out of them 25 to 30 percent quality of the crop is expected to be below normal grade so it may push fine grade wheat price up from the start of July. Generally procurement continues till June. This year it may end earlier than normal schedule.

Weather Outlook for Fourth week of July, 2015

Heavy to very heavy rainfall would occur at a few places with isolated extremely heavy fall over Odisha. Heavy to very heavy rainfall would occur at isolated places over West Rajasthan, Chhattisgarh & Gangetic West Bengal. Heavy rainfall would occur at isolated places over Jammu & Kashmir, Himachal Pradesh, Uttarakhand, West Uttar Pradesh, East Uttar Pradesh, East Rajasthan, East Madhya Pradesh, Jharkhand, Gujarat region, Saurashtra & Kutch and Konkan & Goa.

The well-marked low pressure area over central parts of Rajasthan, now lies over West Rajasthan & neighbourhood. Associated upper air cyclonic circulation extends upto 5.8 km above mean sea level. It may concentrate into a depression during next 48 hours.



Wheat prices continued to move up in major bench mark markets except Kota. Festive demand for wheat products and millers continued buying at local market remain supportive to the cash market fundamentals. Lack of premium and milling grade wheat in open market and restricted selling by stockists may further push market up in the weeks ahead.

Wheat Stock: As on 16th July,2015:

STOCKS OF WHEAT IN CENTRAL POOL AS ON 16.07.2015:	STOCK WITH FCI	STOCK WITH STATE AGENCIES	TOTAL IN CENTRAL POOL
EAST ZONE	8.87	0	8.87
NORTH EAST ZONE	1.33	0	1.33
NORTH ZONE	157.18	109.79	266.97
SOUTH ZONE	3.24	0	3.24
WEST ZONE	13.35	82.79	96.04
TOTAL	183.97	192.58	376.45

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

FOB Value as on 17.07.2015 from various destinations at Kandla:

Weekly Parity Sheet: (As on 24 July 2015)

Parity Calculation	Rajkot (FOR)	Kota	Khag aria	Indore	Kosi	MSP	ECO.C ost
Basic cost of wheat (Rs/ton)	15350	15500	14500	16100	0	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	17050	18200	2200	16300	20400
Indian FOB (USD/MT)	250.43	281.73	266.8	284.8	34.43	255.13	319.3

			6	6			0
Insurance @ 0.1%	0.25	0.28	0.27	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)	268	300	285	303	52	273	337
INR Value 63.89 (24.07.2015)	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)	-20	-52	-37	-55	196	-25	-89

Spot Market Price:							
Centre	Market	Variety	Prices (Rs/Qtl)				
			Today	Yester day	Week Ago	Month Ago	Year Ago
			24-Jul-15	23-Jul-15	17-Jul-15	24-Jun-15	24-Jul-14
Delhi	Lawrence Road	Mill Delivery	1550	1550	1555	1550	1590
	Narella	Mill Quality Loose	1505	1500	1520	NA	1520
	Nazafgarh	Mill Quality Loose	1460	1460	1470	NA	1525
Gujarat	Rajkot	Mill Delivery	Closed	Closed	1540	NA	NA
	Ahmedabad	Mill Delivery	1590	1590	1585	NA	NA
	Dhrol	Mill Quality Loose	1450	1450	NA	1335	NA
	Surat	Mill Delivery	1640	1640	1625	NA	NA
M.P.	Bhopal	Mill Quality Loose	1500	1500	1460	1400	1550
	Indore	Mill Delivery	1610	1610	1625	1540	1660
Rajasthan	Kota	Mill Quality Loose	1475	1470	1440	1400	1510
		Mill Delivery	1550	1540	1550	1480	1585
U.P.	Kanpur	Mill Delivery	1545	1550	1540	1530	1550
	Mathura	Mill Quality Loose	1370	1370	1380	1400	1460
	Kosi	Mill Quality Loose	NR	NR	NA	1400	1470
	Hathras	Mill Quality Loose	NR	NR	NA	1325	1410
	Aligarh	Mill Quality Loose	1400	1390	NA	1425	1440
Punjab	Khanna	Mill Quality Loose	1475	1490	1480	1450	1420
	Ludhiana (Jagraon)	Mill Delivery	1550	1550	1550	1500	1500

Haryana	Sirsa	Mill Delivery loose	1500	1500	1500	1490	1470
	Hodal	Mill Delivery	1540	1540	1550	1550	1580
	Karnal	Mill Quality Loose	NA	NA	NA	NA	1505
	Bhiwani	Mill Quality Loose	1460	1470	1450	1450	1490
	Panipat	Mill Quality Loose	NA	NA	NA	NA	NA
Tamil Nadu	Chennai	Mill Quality	1750	1750	1725	1725	1800
	Madurai	Mill Quality	1807	1807	1782	1782	1857
	Coimbatore	Mill Quality	1807	1807	1782	1782	1857
Bihar	Sitamari	Mill Delivery	1420	1420	NA	1390	NA
	Khagariya	Mill Delivery	1450	1450	1465	1350	1450

Indicative FOB Quotes:

	Variety	% Change over Prev. Year	Today	Week Ago	Month Ago	Year Ago
			23-Jul-15	16-Jul-15	23-Jun-15	23-Jul-14
USA (Chicago)	2SRW	-6.08	211.79	230.46	213.84	225.50
France	FCW3	-1.49	181.25	189.00	181.25	184.00
Australia	ASW	-5.04	245.00	252.00	242.00	258.00
Russia	SRW	-19.43	197.00	201.00	189.00	244.50
India	Fob	-	251.14	248.23	245.91	NA

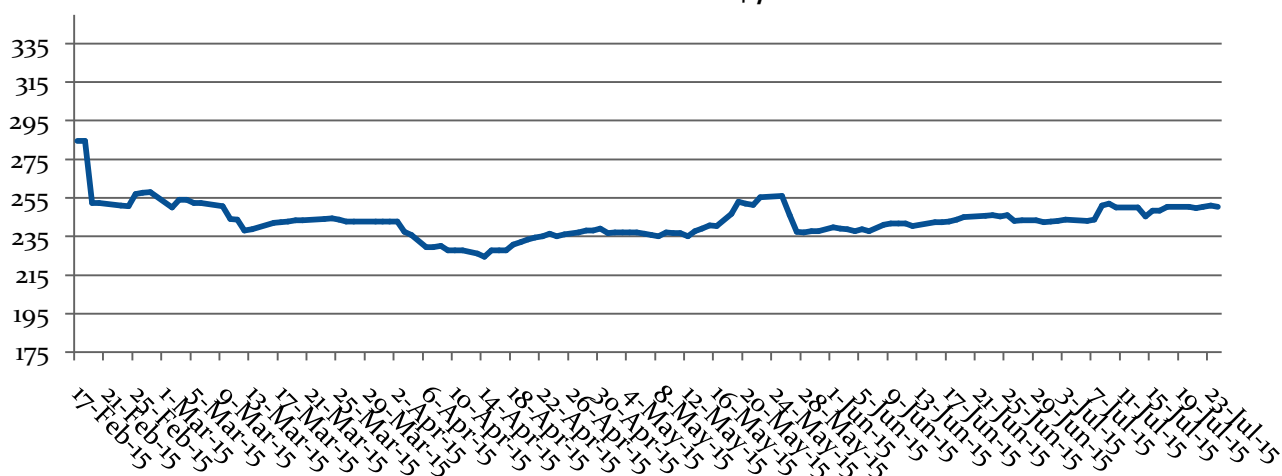
Spot prices of wheat at NCDEX Delivery centers

NCDEX SPOT	Today	Week Ago	Month Ago	Year Ago	Change over previous Year %
	24-Jul-15	17-Jul-15	24-Jun-15	24-Jul-14	
Indore	1563	1542	1490	1635	-4.40
Bareilly	-	-	-	1600	-
Delhi	1553	1564	1550	1592	-2.45
Khanna	-	-	-	-	-
Kanpur	1463	1455	1450	1570	-6.82
Karnal	-	-	-	-	-
Rajkot	1540	1518	1460	1600	-3.75
Kota	1569	1548	1488	1628	-3.62

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):

India Wheat FoB \$/Tonne



*FoB Prices are of new wheat from Saurashtra 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
6th to 12 ,July-15	2877.6	283.53	356.82	235.44
13th to 19th July-15	1888.59	266.33	329.27	234.34

Export volume decreased significantly last week from 27923 tonne to 2877.6 tonne in the 3rd 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 to 7th June-15	2082.72	303.31	325.82	289.89
8th to 14 june-15	61750.43	288.17	297.14	270.73
15to 21,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
6th to 12 July--15	71149.72	270.58	304.44	254.63
13th to 19th July	35115.01	263.85	266.77	255.1

Source:*Provisional Data (As per IBIS)

Wheat Procurement Till 14th July, 2015:

States	Total During 2014-15	Target For 2015-16	Procurement for the season as on 13th July, 2014	Procurement for the season as on 14th July, 2015	% Ch till date
Punjab	116.41	125	107.74	103.44	-3.99%
Haryana	64.95	65	64.14	67.78	5.68%
UP	6.28	30	6.28	22.67	260.99%
M.P.	70.94	78	71.88	73.09	1.68%
Bihar	0	0	0	0	
Rajasthan	21.59	20	21.54	13	-39.65%
Uttarakhand	0.01	1.2	0.01	0.04	300.00%
Chandigarh	0.05	0	0.05	0.11	120.00%
Delhi	0	0		0.02	
Gujarat	0	1		0.73	
Jharkhand	0	0			
HP	0	0			
Maharashtra	0	0.2			
J&K		0			
West Bengal	0	0.2			
Others	0	0.4	0.02	0	
TOTAL	280.23	321	271.66	280.88	3.39%

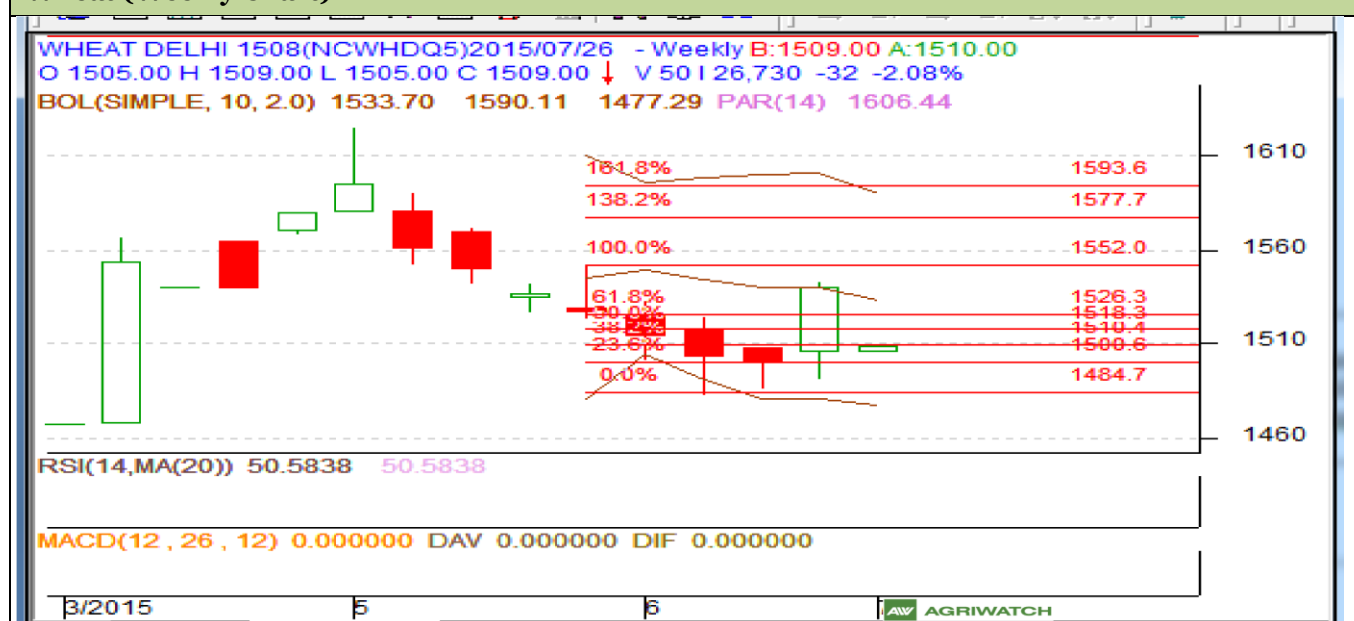
Wheat procurement is up by 3.39 percent till 14th July, 2015

Technical Analysis:

Commodity: Wheat
August, 2015

Exchange: NCDEX **Contract:** August

Expiry: 20th

Wheat (Weekly Chart)

Technical Commentary:

- Candle stick chart depicts firm tone in the market.
- Rise in price and rise in O.I. indicate long build up.
- RSI is almost steady in neutral zone hints range bound movement.

Strategy: Buy On Dip

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Wheat	NCDEX	August	1460	1490	1500	1519	1527
Weekly Trade Call*			Call	Entry	T1	T2	SL
Wheat	NCDEX	August	Buy above	1498	1512	1518	1495

*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. However, slight downward correction was seen in the third week of July. Short supply of milling and premium grade wheat in cash market and short covering by local millers remain supportive to the cash market fundamental. Festive demand for wheat products and millers active buying at local market may push market further up in the weeks ahead. Wheat release through OMSS at Rs1550 per qtl from central pool stock (Punjab/Haryana) would not help much to quench the thirst for flour millers' needs. Export demand is weak. Agriwatch expects firmness to continue this week too.

International Market Updates:

IGC has revised global wheat production estimate down by 4 million tonne to 711 MMT for 2015-16. The main reason for downward revision is attributed to lower production in India (from 91 to 89 MMT now), Australia (from 27 to 25.5 MMT) and EU (from 150 to 148.5 MMT). However, it has revised Ukraine wheat production estimate up from 21 to 22 MMT.

In a latest development in global wheat market, Russian export price was seen softening this week after slight firmness last week. Harvesting in Russia gathered momentum now. However, concern over quality still remains due to recent rains. Black Sea forward prices for Russian new-crop wheat with 12.5 percent protein content were at \$197 per tonne on a free-on-board (FOB) basis at the end of last week. It was being quoted lower by \$1.5 per tonne. The decline in prices was caused by a seasonally high supply.

Russian farmers had harvested 18.7 million tonnes of all grains from 11 percent of the total area as of July 16, down from 22.2 million tonnes at the same date a year ago. Yields were at 3.73 tonnes per hectare, up from 3.53 tonnes. The country's grain stocks at farms and at procurement and processing companies, excluding small farms, were up 9 percent from a year earlier to 12.3 million tonnes as of July 1. Production is expected in between 56 to 59 MMT in 2015.

Grain exports from Russia could rise by the end of this month after the Customs Service introduced an easier-to-navigate system for tax payments on sales abroad, Russian customs officials and traders have been clashing over the level of wheat export tax, launched on July 1. Russia exported 434,000 tonnes of grain over the first 15 days of July, including 200,000 tonnes of wheat due to higher tax imposition. The tax issue in Russia's key exporting regions seemed to have been solved, and wheat exports were expected to speed up in the second half of July.

The wheat export tax is set at 50 percent of the customs price per tonne minus 5,500 roubles (\$97), but not less than 50 roubles per tonne. Black Sea prices for Russian wheat with 12.5 percent protein content were at \$199.5 per tonne on a free-on-board (FOB) basis at the end of last week.

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IGC Wheat Balance Sheet:

(Quantity in MMT)

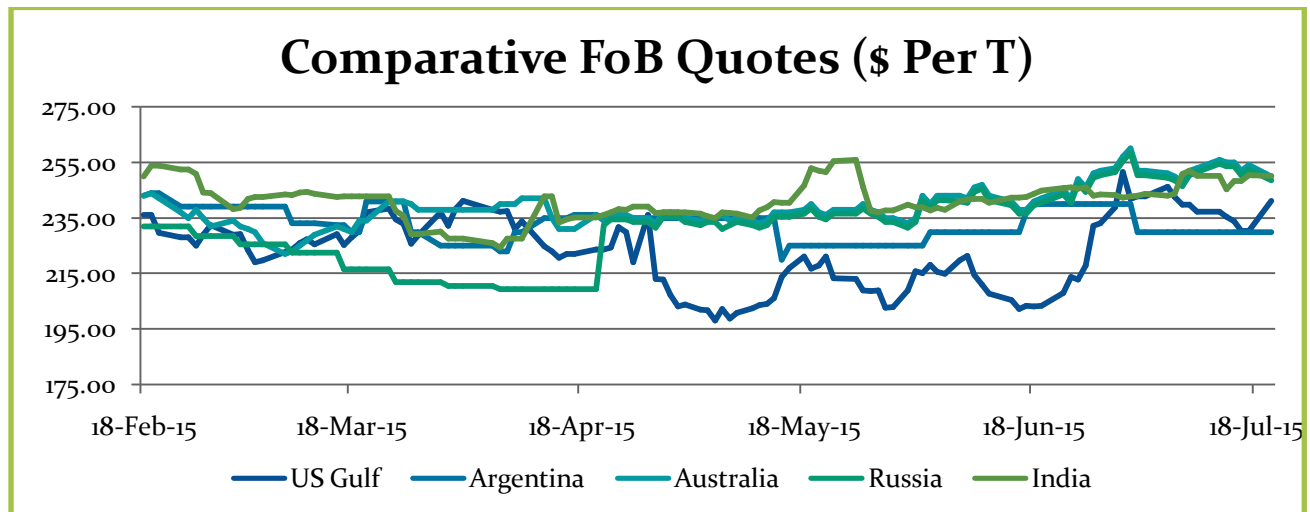
IGC Forecast(Fig-In MMT)	2012-13.	2013-14 Est	2014-15 F'cast	2015-16 Projection	
				28.04.2015	25.06.2015
Production	655	712	721	715	711
Trade	142	156	153	149	149
Consumptions	677	696	710	715	713
Carryover stocks	171	187	198	200	196

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
	23-Jul-15	16-Jul-15	23-Jun-15	23-Apr-15	23-Jan-15	23-Jul-14	
15-Sep	191.60	206.57	193.62	187.56	199.96	227.60	-15.82
15-Dec	194.26	209.79	198.03	193.71	204.18	233.39	-16.77
16-Mar	196.56	212.72	202.44	199.04	206.57	237.06	-17.09
16-May	198.03	214.01	205.28	202.53	206.48	238.35	-16.92
16-Jul	198.58	213.46	206.94	203.36	204.55	236.70	-16.10
16-Sep	201.15	215.57	210.06	206.48	205.56	236.70	-15.02

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



International Weather update: (Source-USDA)

Australia- bulk of the rains occurred in 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 conducive 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's welcomed dry spell across northern Kazakhstan and Russia's southern Urals District, moderate to heavy showers (10-55 mm) led to planting 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 unsettling conditions, crop areas from the south-central Urals District into northwestern Kazakhstan benefited from dry, hot weather (up to 8°C above normal).

International Weekly Outlook:

Global wheat market is likely to trade steady to slightly weak due to higher supply in Russia and resolving of export tax issue there. Besides, lower export sales data in US and higher marketable surplus in Australia may put pressure on global wheat market. It may trade lower in the weeks ahead

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