

#### Price Drivers

- Govt notifies the 5 lakh tonnes sugar export under OGL. Also issued first tranche of sugar exports i.e. around 30000 metric tonnes.
- Govt. fixed May month levy sugar quota to 2.13 lakh tonnes - Media Sources.
- Govt. has raised minimum cane purchase price to Rs.145/quintal.

#### ICE Sugar Futures Market

Raw-sugar futures for May delivery declined 0.54 cent to 23.38 cents a pound.

In London, White sugar futures for August delivery declined \$11.40 to settle at \$615.10 per tonne.

#### Market Analysis of Sugar

- Steady to Negative sentiments recorded in various spot markets on Monday as sluggish demand pressurize the prices. Prices decreased in Maharashtra, Vijayawada and Kolkata while prices remains same in Delhi, Chennai and Nagpur markets. While mixed prices have been recorded in UP market in comparison to previous day.
- According to Media Sources, Sugar mills have produced 22.6 million tonnes sugar till date in 2010-11, up 24 percent from 18.2 million tonnes in 2009-10.
- Sugar Inventory rose to 14.8 million tonnes on April 1 up 30 percent in comparison to previous year 2009-10. According to Media sources.
- Sugar prices seems going up owing to summer demand has picked up and lower sugar export quota for May month in comparison to previous year. Also, export demand may support the prices on higher side for the short term.

*We expect that sugar prices are in Positive bias in near term due to comparative lower sugar quota for May month and sugar export demand may supports the prices upwards. Meanwhile prices of Sugar in International markets may go down owing to good production scenario from Thailand. Also, supply coming from Brazil may ease prices in the coming days. However, estimates of sugar output both domestically and internationally may provide the actual direction to sugar prices in medium to long term.*

#### Market Analysis of Gur

- Gur prices are steady to positive in various markets as sluggish arrivals of Gur supports the prices upwards in the Ahmedabad market while Gur prices was steady in Muzaffar nagar market on Monday.
- The Gur arrival at Muzaffar Nagar is 2000-3000 mund (1mund= 40kg) while Gur arrivals at Ahmadabad market was 375 mund or 1 truck.
- Arrivals of gur from mandi will stop in the next 10 days in Ahmadabad. Gur stored in the warehouse will be traded after 10 days.

#### Technical Analysis:

- As reflected in the chart sugar prices are moving upwards. Price trading above 9 EMA and 18 EMA.
- Also, 9 day EMA break 18 day EMA which further suggests bullishness.
- Prices have decreased with volume and open interest further suggests bearishness.
- Also oscillators such as RSI and Stochastic are going towards overbought region.
- Sell above from resistance level would be the best strategy.

#### Trade Recommendation - Sugar NCDEX (May) Contract

Call	Entry	T1	T2	SL
<b>Sell Below</b>	2725	2715	2709	2730
Support & Resistance				
S2	S1	PCP	R1	R2
2709	2715	2729	2730	2741



#### Technical Analysis:

- As reflected in the chart Gur prices are moving upwards.
- Price trading below 9 EMA and 18 EMA however Gur price touched upper Bollinger bands which suggests bearishness in the price.
- However, oscillators such as RSI and Stochastic are in an overbought region which further suggests bearishness.
- Stay Away from the market would be the best strategy.

#### Trade Recommendation – Gur NCDEX (July.) Contract

Call	Entry	T1	T2	SL
Stay Away	-	-	-	-
Support & Resistance				
S2	S1	PCP	R1	R2
-	-	1058	-	-



#### NCDEX Gur Price Spread

NCDEX Spread	July	Sept	Nov
July	0	17	-83.5
Sept		0	-100.5
Nov			0

#### NCDEX Sugar Price Spread

NCDEX Spread	May	June	July
May	0	65	117
June		0	52
July			0

#### Stock Position of Sugar in NCDEX Warehouse (In MT)

Location	Variety	Dematted Stocks		Change
		30/04/2011	29/04/2011	
Kolhapur	Sugar M Total	2571	2571	Unch
Kolhapur	Sugar S Total	1110	1110	Unch
Source: NCDEX				

#### Prices at Key Markets – Gur

Centre	Grade/Variety	Prices 02-05-2011 (Rs/Qtl)	Change in Rs./Qtl.
Muzaffar Nagar	Chaku	2375-2500	Unch
Ahmedabad	Gur	2500	+50

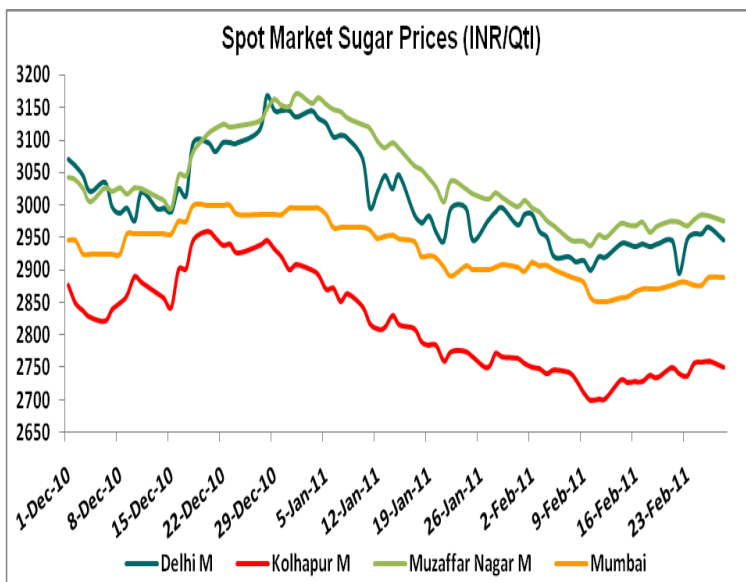
#### Prices at Key Markets

Centre	Grade/Variety	Prices 30-04-11 (Rs/Qtl)	Prices 02-05-11 (Rs/Qtl)	Chng. from Prior Day
Delhi	Sugar M	2950	2950	Unch
	Sugar S	2930	2930	Unch
Khatauli	Sugar Ready	2925	2935	+10
Ramala	Sugar Ready	2865	2855	-10
Mumbai	Sugar M	2811-2891	2811-2891	Unch
	Sugar S	2771-2781	2766-2776	-5
Kolhapur	Sugar M	2651-2731	2651-2731	Unch
	Sugar S	2611-2621	2606-2616	-5
Vijaywada	Sugar M	2900	2900	Unch
	Sugar S	2870	2830	-40
Nagpur	Sugar S	2900	2900	Unch
Kolkata	Sugar M New	2860	2800	-60
Chennai	Sugar S	2655	2655	Unch

#### International Futures Quotes (as on 29-4-2011)

	Contract Month	Open	High	Low	Close	Change
ICE Sugar #11 (US Cent/lb)	May'11	24.09	24.15	22.81	23.38	-0.54
	Jul'11	22.48	22.61	21.75	22.25	-0.26
	Oct'11	23.00	23.00	22.22	22.65	-0.27
LIFFE Sugar (US \$/MT)	Aug'11	624.30	624.70	605.00	615.10	-11.40
	Oct'11	607.10	607.60	589.50	601.50	-7.70
	Dec'11	608.90	611.00	595.00	607.40	-6.30
White Sugar Premium \$/MT	Aug'11	-	-	-	118.00	-
	Oct'11	-	-	-	97.50	-
	Dec'11	-	-	-	103.50	-

#### Spot Market prices trend



(Source: NCDEX)

#### Brazil Sugar Quotes (Kingsman) as on 29-4-2011

Commodity	Place	Price	% Change
Raw Sugar FOB (\$/MT)	Santos Port	514.25	+0.25
Raw Sugar C&F (\$/MT)	Black Sea	558.25	+0.25
Sugar White FOB (\$/MT)	Santos Port	649.50	-15.75

#### ICE Sugar Futures Mar'11 Contract



(Source: Reuters)

#### LIFFE Sugar Futures Mar'11 Contract



#### 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.asp>