

## Sugar & Gur Domestic Fundamentals:

Steady to negative sentiments recorded in various spot markets of Sugar on Wednesday. Overall sluggish demand and good arrivals pressurize the prices downwards. Exports of sugar under OGL pick up the speed as government released 1.55 lakh tonnes sugar orders to 155 mills out of the total quantity of five lakh tonnes that it has allowed for outbound shipment. Gur prices remains steady to negative owing to good arrivals in the market. Prices came down of Chaku variety of Gur as arrivals of 5000 mund pressurizes the prices.

## Sugar International Fundamental:

Output in Brazil fell 69 percent to 795000 tonnes from Mid March to April end which gives investors the opportunity to short cover their positions in LIFFE white sugar futures. Brazil's output increased concerns of reduction in Global sugar surplus. Sugar rose fourth straight day in LIFFE which is the longest rally in more than three months.

## Outlook:

Sugar spot prices are moving sideways to negative. We are expecting that the prices may go down further due to subdued demand and good arrivals in the markets. Overall good production scenario of sugar also pressurizes the prices of sugar in the coming months.

### NCDEX Sugar Futures

| Contract | +/-   | Open | High | Low  | Close |
|----------|-------|------|------|------|-------|
| May-11   | -1.20 | 2742 | 2742 | 2702 | 2710  |
| Jun-11   | -1.68 | 2739 | 2740 | 2684 | 2692  |
| Jul-11   | -2.44 | 2773 | 2781 | 2712 | 2715  |

| Contract | Volume | Change | OI    | Change |
|----------|--------|--------|-------|--------|
| May-11   | 4920   | +1240  | 21660 | -6310  |
| Jun-11   | 6200   | +4260  | 21410 | -2410  |
| Jul-11   | 2850   | +2580  | 10390 | +380   |

| Spread | May-11 | Jun-11 | Jul-11 |
|--------|--------|--------|--------|
| Spot   | 21     | 39     | 6      |
| May-11 |        | -18    | 5      |
| Jun-11 |        |        | 23     |

| Stocks     | Demat    | In-Process | Total    | FED      |
|------------|----------|------------|----------|----------|
|            | 16.05.11 | 16.05.11   | 16.05.11 | 16.05.11 |
| Kolhapur M | 2010     | 0          | 2010     | 2010     |
| Belgaum S  | 0        | 1200       | 1200     | -        |

### LIFFE Sugar Futures (In USD/Tonne)

| Contract | +/- | Open | High | Low | Close |
|----------|-----|------|------|-----|-------|
| Aug-11   |     |      |      |     |       |
| Oct-11   |     |      |      |     |       |
| Dec-11   |     |      |      |     |       |

\* International Prices will be updated in the morning.

### NCDEX Gur Futures:

| Contract | +/-   | Open    | High    | Low  | Close |
|----------|-------|---------|---------|------|-------|
| July-11  | -2.64 | 1025    | 1025    | 997  | 997   |
| Sept-11  | -3.20 | 1036.50 | 1036.50 | 1013 | 1013  |
| Nov-11   | -1.56 | 953     | 953     | 945  | 945   |

| Contract | Volume | Change | OI    | Change |
|----------|--------|--------|-------|--------|
| July-11  | 4930   | -1380  | 12470 | +200   |
| Sept-11  | 940    | -190   | 3540  | +590   |
| Nov-11   | 30     | -10    | 600   | +10    |

| Spread  | July-11 | Sept-11 | Nov-11 |
|---------|---------|---------|--------|
| Spot    | 103     | 87      | 155    |
| July-11 |         | 16      | -52    |
| Sept-11 |         |         | -68    |

### ICE Sugar Futures (In Cents/Pound)

| Contract | +/- | Open | High | Low | Close |
|----------|-----|------|------|-----|-------|
| July-11  |     |      |      |     |       |
| Oct-11   |     |      |      |     |       |
| Mar-12   |     |      |      |     |       |

\* International Prices will be updated in the morning.

## Sugar and Gur Prices at Key Spot Markets:

| Commodity    | Centre                        | Prices (Rs/Qtl) |            | Change |
|--------------|-------------------------------|-----------------|------------|--------|
| Sugar        |                               | 18-05-2011      | 16-05-2011 |        |
|              | Delhi - Grade M               | 2910            | 2925       | -15    |
|              | Delhi - Grade S               | 2890            | 2900       | -10    |
|              | UP- Khatuali Grade M          | 2900            | 2910       | -10    |
|              | UP- Ramala Grade M            | 2835            | 2830       | +5     |
|              | Mumbai –Grade M               | 2796-2881       | 2801-2891  | -10    |
|              | Mumbai –Grade S               | 2751-2768       | 2751-2771  | -3     |
|              | Kolhapur – Grade M            | 2636-2721       | 2641-2731  | -10    |
|              | Kolhapur – Grade S            | 2591-2608       | 2591-2611  | -3     |
|              | Vijayawada – Grade M          | 2910            | 2910       | Unch   |
|              | Vijayawada- Grade S           | 2825            | 2825       | Unch   |
|              | Nagpur – Grade S              | 2880            | 2880       | Unch   |
|              | Kolkata – Grade SS            | 2890            | 2890       | Unch   |
|              | Chennai - Grade S             | 2580-2630       | 2590-2630  | Unch   |
| Jaggery(Gur) | Muzaffar Nagar                | 2750-2750       | 2700-2750  | Unch   |
|              | Muzaffar Nagar (Cold Storage) | 2400            | 2450       | -50    |
|              | Ahmedabad                     | 2625            | 2625       | Unch   |
|              | Kolhapur (Superfine)          | 3000-3800       | 3000-3800  | Unch   |

Sugar Prices are in INR/Quital. (1 Qunital=100 kg).

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