

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	618.00	634.70	618.00	633.00	+20.40
Oct-11	577.80	594.40	577.50	592.00	+18.70
Dec-11	582.50	594.80	582.50	592.30	+12.90

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	22.00	22.95	21.97	22.85	+0.92
Oct-11	21.71	22.40	21.64	22.27	+0.65
Mar-12	21.75	22.38	21.74	22.27	+0.52

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/Quintal. (1 Quintal=100 kg).

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