

Sugar & Gur Domestic Fundamentals:

- Negative sentiments recorded in various markets as high sugar quota for June month pressurizes the prices. Demand has been improved in Maharashtra as retail buyers come to market despite of that prices are decreasing owing to supply offsetting demand.
- India has issued export permits for 337,407 metric tons of sugar out of the 500,000 tons allowed under its open general license scheme
- Steady to negative prices recorded in Gur on Tuesday. Gur arrivals are In its last stage from Muzaffar Nagar market. Lackluster trade and unlifting of gur stored in cold storage also pressurize the prices of gur. However, prices might come down after June 15 as temperature might go down and remaking of Gur stored in Cold storage might increase demand in the coming days.

Sugar International Fundamental:

In International market, decreased output in Brazil may drive the prices downwards for the short term. Also, increased demand from Russia and Phillipines may also support the prices.

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
Jun-11	-5.00	2574.00	2583.00	2570.00	2573.00
Jul-11	-4.00	2605.00	2615.00	2601.00	2605.00
Aug-11	-2.00	2638.00	2650.00	2638.00	2642.00

NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
July-11	-4.00	984.00	987.50	980.00	980.00
Sept-11	+0.50	998.50	1006.00	998.00	1002.00
Nov-11	-	-	-	-	-

Contract	Volume	Change	OI	Change
Jun-11	3250	-4090	22530	3410
Jul-11	3170	490	11010	1980
Aug-11	400	210	2920	1590

Contract	Volume	Change	OI	Change
July-11	4350	-2880	13340	1070
Sept-11	1220	-360	4380	260
Nov-11	-	-	600	-30

Spread	Jun-11	Jul-11	Aug-11
Spot	113	81	44
Jun-11		32	69
July-11			37

Spread	July-11	Sept-11	Nov-11
Spot	120	98	150
July-11		22	-30
Sept-11			-52

Stocks	Demat	In-Process	Total	FED
	30.05.11	30.05.11	30.05.11	23.05.11
Kolhapur M	860	0	860	860
Belgaum S	1200	149	1349	1200

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Aug-11	663.00	677.70	662.80	672.00	+13.70
Oct-11	615.10	625.10	615.10	621.80	+8.40
Dec-11	612.00	615.60	609.20	613.10	+6.70

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
July-11	22.99	23.37	22.85	23.18	+0.19
Oct-11	22.95	23.19	22.71	22.99	+0.13
Mar-12	22.92	23.25	22.92	23.17	+0.15

Brazil Sugar Quotes (Kingsman)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	538.25	+8.50
Raw Sugar C&F (\$/MT)	Black Sea	583.25	+8.50
Sugar White FOB (\$/MT)	Santos Port	669.75	+8.75

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Aug'11/Jul'11	161.5	+8.5
Oct'11/Oct'11	113.5	+1.75
Dec'11/Oct'11	104.75	+0.5

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Commodity	Price	Change
Brazil Domestic Sugar	26.51	-0.22
Brazil Anhydrous	21.99	-0.76
Brazil Hydrous	20.9	+0.87
Russian Imp. Parity/mt	90	+11

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
Sugar		31-05-2011	30-05-2011	
	Delhi - Grade M	2900	2900	Unch
	Delhi - Grade S	2850	2850	Unch
	UP- Khatuali Grade M	2855	2860	-5
	UP- Ramala Grade M	2805	2805	Unch
	Mumbai –Grade M	2561-2686	2571-2691	-5
	Mumbai –Grade S	2696-2696	2691-2706	-10
	Kolhapur – Grade M	2561-2686	2571-2691	-5
	Kolhapur – Grade S	2536-2536	2531-2546	-10
	Vijayawada – Grade M	2840	2840	Unch
	Vijayawada- Grade S	2800	2800	Unch
	Nagpur – Grade S	2860	2890	-30
	Kolkata – Grade SS	2830	2830	Unch
	Chennai - Grade S	2620	2620	Unch
Jaggery(Gur)	Muzaffar Nagar	2550	2750	-200
	Muzaffar Nagar (Cold Storage)	2375	2400	-25
	Ahmedabad	2550	2550	Unch
	Kolhapur (Superfine)	3300-3800	3000-3800	Unch

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

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