

Sugar & Gur Domestic Fundamentals:

- Negative sentiments in sugar prices recorded in various sugar spot markets as higher sugar stocks with mills create ample supply situation which further decrease the sugar prices. Also, higher sugar quota for June month further pressurizes the sugar prices. Meanwhile we expect that the prices may go down further due to ample supply of sugar in the market. Sluggish demand also gives pressure on prices.
- Positive sentiments recorded in Gur on Friday. Good arrivals and demand of gur in various markets make rebound the prices of Gur. However, as expected the prices might rebound 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, Demand from countries like EU, Russia, and Mexico may drive the sugar price up in the coming days. Also, Brazil cane crush accelerates but still lacks 2010-11 pace which may also support the prices of sugar upwards.

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	-34.00	2531.00	2535.00	2491.00	2495.00
Jul-11	-20.00	2566.00	2568.00	2540.00	2544.00
Aug-11	-17.00	2607.00	2611.00	2597.00	2598.00

NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
July-11	-1.00	982.00	985.00	972.00	980.50
Sept-11	-2.50	1000.00	1005.00	995.00	1001.00
Nov-11	0.00	944.00	944.00	938.00	943.00

Contract	Volume	Change	OI	Change
Jun-11	15390	4760	26720	1420
Jul-11	6810	350	13760	220
Aug-11	1940	-1240	6420	700

Contract	Volume	Change	OI	Change
July-11	6580	-3080	13280	-200
Sept-11	2210	-440	4830	430
Nov-11	30	-	600	0

Spread	Jun-11	Jul-11	Aug-11
Basis	156	107	53
Jun-11		49	103
July-11			54

Spread	July-11	Sept-11	Nov-11
Basis	59.5	39	97
July-11		20.5	-37.5
Sept-11			-58

Stocks	Demat	In-Process	Total	FED
	02.06.11	02.06.11	02.06.11	30.05.11
Kolhapur M	860	0	860	860
Belgaum S	1249	200	1449	1200

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Aug-11	668.00	688.70	665.30	683.90	+19.30
Oct-11	617.20	633.10	614.50	628.30	+13.00
Dec-11	609.00	620.60	607.20	617.90	+13.10

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
July-11	22.57	23.73	22.55	23.52	+1.06
Oct-11	22.50	23.53	22.45	23.38	+1.02
Mar-12	22.61	23.72	22.61	23.60	+1.08

Brazil Sugar Quotes (Kingsman)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	552.75	+28.25
Raw Sugar C&F (\$/MT)	Black Sea	597.75	+28.25
Sugar White FOB (\$/MT)	Santos Port	673.50	+28.25

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Aug'11/Jul'11	162.50	+1.00
Oct'11/Oct'11	117.00	+3.50
Dec'11/Oct'11	106.50	+1.75

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Commodity	Price	Change
Brazil Domestic Sugar	26.51	+0.23
Brazil Anhydrous	22.21	+0.22
Brazil Hydrous	21.11	+0.21
Russian Imp. Parity/mt	87.00	-3.00

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
Sugar		3-06-2011	2-06-2011	
	Delhi - Grade M	2870	2870	Unch
	Delhi - Grade S	2820	2820	Unch
	UP- Khatuali Grade M	2845	2850	-5
	UP- Ramala Grade M	2800	2825	-25
	Mumbai –Grade M	2751-2811	2711-2831	-20
	Mumbai –Grade S	2651-2696	2661-2701	-5
	Kolhapur – Grade M	2591-2651	2551-2671	-20
	Kolhapur – Grade S	2491-2536	2501-2541	-5
	Vijayawada – Grade M	2840	2840	Unch
	Vijayawada- Grade S	2770	2770	Unch
	Nagpur – Grade S	2875	2875	Unch
	Kolkata – Grade M	2860	2860	Unch
	Chennai - Grade S			Unch
Jaggery(Gur)	Muzaffar Nagar	2750	2600	+150
	Muzaffar Nagar (Cold Storage)	2500	2450	+50
	Ahmedabad	2600	2600	Unch
	Kolhapur (Superfine)	3000-3800	3000-3800	Unch

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

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