

Sugar & Gur Domestic Fundamentals:

- High sugar quota for June month and ample sugar stock with sugar mills pressurize them to sell the sugar at lower prices. Sugar prices have decreased in various spot markets on Wednesday.
- With increasing international sugar prices and decreasing domestic sugar prices, there is a great opportunity for Indian millers to make profits from sugar exports if govt. take quick action and allows further exports of sugar under OGL.
- Prices of gur remains unchanged in various spot markets on Wednesday. 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 medium term.

International Sugar Fundamentals:

- Prices are moving upwards in Liffe sugar futures owing to demand from countries like Philippines, Mexico and EU moves the prices upwards. However, increasing supply from Brazil and Thailand put some pressurize the prices in the coming days.

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	-8.00	2495.00	2514.00	2486.00	2490.00
Jul-11	-10.00	2541.00	2552.00	2526.00	2531.00
Aug-11	-11.00	2584.00	2590.00	2568.00	2570.00

Contract	Volume	Change	OI	Change
Jun-11	11640	4820	28650	560
Jul-11	4350	1660	13740	150
Aug-11	2180	-470	11790	520

Spread	Jun-11	Jul-11	Aug-11
Basis	151	110	71
Jun-11		41	80
July-11			39

Stocks	Demat	In-Process	Total	FED
	07.06.11	07.06.11	07.06.11	06.06.11
Kolhapur M	0	150	150	-
Belgaum S	249	499	748	249

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Aug-11	696.20	702.60	689.00	694.20	-2.00
Oct-11	639.00	642.90	631.80	635.30	-3.70
Dec-11	626.50	628.70	619.70	623.30	-3.20

NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
July-11	-1.00	979.00	979.00	970.50	975.00
Sept-11	-5.00	995.00	995.00	986.00	989.00
Nov-11	-3.00	945.00	945.00	940.00	940.00

Contract	Volume	Change	OI	Change
July-11	2850	-470	13190	350
Sept-11	1590	60	5590	370
Nov-11	70	60	620	20

Spread	July-11	Sept-11	Nov-11
Basis	25	11	60
July-11		14	-35
Sept-11			-49

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
July-11	23.70	24.49	23.66	24.35	+0.76
Oct-11	23.26	23.68	23.23	23.50	+0.25
Mar-12	23.42	23.68	23.36	23.58	+0.16

Brazil Sugar Quotes (Kingsman)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	566.25	+13.25
Raw Sugar C&F (\$/MT)	Black Sea	611.25	+13.25
Sugar White FOB (\$/MT)	Santos Port	687.50	+6.75

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Aug'11/Jul'11	164.00	-7.50
Oct'11/Oct'11	118.5	-4.5
Dec'11/Oct'11	106.5	-3.50

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Commodity	Price	Change
Brazil Domestic Sugar	26.24	-0.15
Brazil Anhydrous	22.02	-0.1
Brazil Hydrous	21	-0.09
Russian Imp. Parity/mt	111	19

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
Sugar		08-06-2011	07-06-2011	
	Delhi - Grade M	2840	2850	-10
	Delhi - Grade S	2800	2810	-10
	UP- Khatuali Grade M	2840	2840	Unch
	UP- Ramala Grade M	2780	2790	-10
	Mumbai –Grade M	2750-2801	2776-2801	Unch
	Mumbai –Grade S	2621-2666	2621-2681	-15
	Kolhapur – Grade M	2590-2641	2616-2641	Unch
	Kolhapur – Grade S	2461-2506	2461-2521	-15
	Vijayawada – Grade M	2830	2830	Unch
	Vijayawada- Grade S	2770	2770	Unch
	Nagpur – Grade S	2770	2800	-30
	Kolkata – Grade M	2860	2880	-20
	Chennai - Grade S	2600	2600	Unch
Gur	Muzaffar Nagar (Cold Storage)	2500	2500	Unch
	Ahmadabad	2600	2600	Unch
	Kolhapur (Superfine)	3000-3800	3000-3800	Unch

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

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