

Sugar & Gur Domestic Fundamentals:

- Fall in prices of sugar continues in various markets on Monday. Despite of improved demand, continuous decline in sugar prices recorded owing to panic selling by sugar mills. Mills have to fulfill their sugar quota obligation for June month which urges the mills to sell its production into open market which ease the supply sugar in the markets.
- Mills are asking for more sugar exports apart from 5 lakh tonnes exports under OGL. Increasing international prices and falling domestic sugar prices urges mills to export sugar.
- Millers are worried over the threat to stocks from ongoing monsoon rains in the Maharashtra in the past three-four days. Warehouses are full which left no option in front of millers to put the sugar stock in open. However, little damage recorded so far but situation may got worsen, if rain continues.
- Prices of Gur have decreased in various spot markets on Monday. Less uplifting of Gur pressurizes the prices of Gur further. However, demand expects to come after 10-15 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	-11.00	2462.00	2475.00	2449.00	2455.00
Jul-11	-6.00	2513.00	2520.00	2500.00	2509.00
Aug-11	4.00	2540.00	2553.00	2538.00	2550.00

Contract	Volume	Change	OI	Change
Jun-11	8240	-190	16220	-180
Jul-11	5930	1270	15100	690
Aug-11	1240	180	13260	-200

Spread	Jun-11	Jul-11	Aug-11
Basis	166	112	71
Jun-11		54	95
July-11			41

Stocks	Demat	In-Process	Total	FED
	11.06.11	11.06.11	11.06.11	06.06.11
Kolhapur M	50	698	748	-
Belgaum S	598	200	798	249

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Aug-11	713.90	729.90	713.90	723.50	+11.40
Oct-11	651.20	662.60	649.00	657.00	+8.40
Dec-11	634.90	645.60	632.60	639.80	+6.40

NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
July-11	7.00	967.00	974.50	961.00	973.00
Sept-11	10.00	974.00	986.00	970.50	984.50
Nov-11	11.00	936.00	944.00	908.50	944.00

Contract	Volume	Change	OI	Change
July-11	4880	40	12710	-1050
Sept-11	3940	1140	6950	780
Nov-11	710	680	890	280

Spread	July-11	Sept-11	Nov-11
Basis	7	-4.5	36
July-11		11.5	-29
Sept-11			-40.5

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
July-11	24.84	25.70	24.83	25.64	+0.80
Oct-11	23.96	24.62	23.96	24.54	+0.55
Mar-12	23.95	24.37	23.73	24.34	+0.39

Brazil Sugar Quotes (Kingsman)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	585.75	+15.25
Raw Sugar C&F (\$/MT)	Black Sea	630.75	+15.25
Sugar White FOB (\$/MT)	Santos Port	717.00	+14.25

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Aug'11/Jul'11	161.75	-3.5
Oct'11/Oct'11	120.5	-0.5
Dec'11/Oct'11	103.5	-2.25

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Commodity	Price	Change
Brazil Domestic Sugar	26.25	-0.05
Brazil Anhydrous	21.93	-0.08
Brazil Hydrous	20.91	-0.08
Russian Imp. Parity/mt	106	+21

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
Sugar		13-06-2011	11-06-2011	
	Delhi - Grade M	2800	2820	-20
	Delhi - Grade S	2760	2770	-10
	UP- Khatuali Grade M	2806	2806	Unch
	UP- Ramala Grade M	2770	2780	-10
	Mumbai –Grade M	2771-2781	2735-2791	-10
	Mumbai –Grade S	2616-2666	2631-2661	+5
	Kolhapur – Grade M	2611-2621	2575-2631	-10
	Kolhapur – Grade S	2456-2506	2471-2501	+5
	Vijayawada – Grade M	2830	2830	Unch
	Vijayawada- Grade S	2750	2750	Unch
	Nagpur – Grade S	2730	2770	-40
	Kolkata – Grade SS	2820	2820	Unch
	Chennai - Grade S	2575	2590	-15
Gur	Muzaffar Nagar (Cold Storage)	2450	2450	Unch
	Ahmadabad	2550	2600	-50
	Kolhapur (Superfine)	3000-3800	3000-3800	Unch

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

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