

Sugar & Gur Domestic Fundamentals:

- Mixed sentiments recorded of sugar on Tuesday as prices could not find adequate cues to decide the price either side.
- Govt. notifies additional 5 lakh tonnes sugar exports under OGL. Additional sugar exports give some respite to the prices in the coming days.
- Government release 17.72 lakh tonnes (15.6 lakh tonnes non-levy and 2.12 lakh tonnes levy quota) total sugar quota for July month. Carry over quantity is 3 lakh tonnes which mills have to sell upto 15th July.
- Gur prices have decreased in various spot markets on Tuesday. Despite of improved demand from Gujarat and Rajasthan market for Chaku gur, prices remains weak in Muzaffarnagar and Gujarat market. We are expecting that the prices will increase in the coming days as decrease in temperature improves demand from Gujarat and Rajasthan markets which further increase the prices of Gur.

Outlook:

Sugar prices have improved in this week as improved demand from various states in Maharashtra. We expects that the prices may rebound from the present level as additional 5 lakh tonnes sugar exports allowance under OGL and lower sugar quota for July month kept the sugar prices upwards.

NCDEX Sugar Futures

| Contract | +/- | Open | High | Low | Close |
|----------|-------|---------|---------|---------|---------|
| July-11 | 61.00 | 2686.00 | 2746.00 | 2665.00 | 2734.00 |
| Aug-11 | 43.00 | 2702.00 | 2760.00 | 2698.00 | 2749.00 |
| Sept-11 | 31.00 | 2725.00 | 2775.00 | 2721.00 | 2760.00 |

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|-------|--------|
| Jul-11 | 38650 | 4810 | 40040 | 5010 |
| Aug-11 | 13280 | 3330 | 19170 | 2370 |
| Sept-11 | 3370 | -3390 | 5810 | 1020 |

| Spread | Jul-11 | Aug-11 | Sept-11 |
|---------|--------|--------|---------|
| Basis | -28 | -43 | -54 |
| July-11 | | 15 | 26 |
| Aug-11 | | | 11 |

| Stocks | Demat | In-Process | Total | FED |
|------------|----------|------------|----------|----------|
| | 27.06.11 | 27.06.11 | 27.06.11 | 27.06.11 |
| Kolhapur M | 1427 | 0 | 1427 | 878 |
| Belgaum S | 798 | 0 | 798 | 798 |

LIFFE Sugar Futures (In US\$/MT)

| Contract | Open | High | Low | Close | +/- |
|----------|--------|--------|--------|--------|-------|
| Aug-11 | 728.90 | 728.90 | 718.10 | 726.00 | -8.60 |
| Oct-11 | 663.00 | 666.30 | 656.90 | 663.70 | -4.20 |
| Dec-11 | 649.00 | 653.10 | 645.80 | 650.70 | -2.00 |

NCDEX Gur Futures:

| Contract | +/- | Open | High | Low | Close |
|----------|-------|---------|---------|--------|---------|
| July-11 | -2.50 | 984.50 | 986.00 | 980.00 | 981.50 |
| Sept-11 | -3.00 | 1004.50 | 1005.00 | 999.00 | 1000.00 |
| Nov-11 | -1.00 | 930.00 | 930.00 | 925.00 | 925.00 |

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|-------|--------|
| July-11 | 3020 | 700 | 10600 | 470 |
| Sept-11 | 1180 | 610 | 6920 | 110 |
| Nov-11 | 30 | -30 | 890 | 20 |

| Spread | July-11 | Sept-11 | Nov-11 |
|---------|---------|---------|--------|
| Basis | -13.5 | -32 | 43 |
| July-11 | | 18.5 | -56.5 |
| Sept-11 | | | -75 |

ICE Sugar Futures (In Cents/Pound)

| Contract | Open | High | Low | Close | +/- |
|----------|-------|-------|-------|-------|------|
| July-11 | 27.40 | 27.86 | 27.02 | 27.80 | 0.26 |
| Oct-11 | 25.58 | 25.97 | 25.18 | 25.91 | 0.09 |
| Mar-12 | 25.12 | 25.42 | 24.64 | 25.38 | 0.01 |

Brazil Sugar Quotes (Kingsman)

| Commodity | Place | Price | Change |
|-------------------------|-------------|--------|---------------|
| Raw Sugar FOB (\$/MT) | Santos Port | 636.00 | +27.75 |
| Raw Sugar C&F (\$/MT) | Black Sea | 680.00 | +27.75 |
| Sugar White FOB (\$/MT) | Santos Port | 766.50 | +29.75 |

Brazil White Sugar Premium (US\$/MT)

| Contract | Close | +/- |
|---------------|-------|-------------|
| Aug'11/Jul'11 | 120.5 | -6 |
| Oct'11/Oct'11 | 99.25 | -0.5 |
| Dec'11/Oct'11 | 86.25 | 1.25 |

Brazil Sugar/ Ethanol Prices (In Cents/lb)

| Commodity | Price | Change |
|------------------------|-------|--------------|
| Brazil Domestic Sugar | 26.96 | -0.11 |
| Brazil Anhydrous | 24.12 | 0.69 |
| Brazil Hydrous | 23.31 | -0.17 |
| Russian Imp. Parity/mt | 77 | 9 |

Sugar and Gur Prices at Key Spot Markets:

| Commodity | Centre | Prices (Rs/Qtl) | | Change |
|-----------|-------------------------------|-------------------|-------------------|-------------|
| Sugar | | 28-06-2011 | 27-06-2011 | |
| | Delhi - Grade M | 2880 | 2925 | -45 |
| | Delhi - Grade S | 2820 | 2850 | -30 |
| | UP- Khatuali Grade M | 2815 | 2835 | -20 |
| | UP- Ramala Grade M | 2740 | 2735 | +5 |
| | Mumbai –Grade M | 2710-2866 | 2691-2861 | +5 |
| | Mumbai –Grade S | 2646-2665 | 2641-2651 | +14 |
| | Kolhapur – Grade M | 2550-2706 | 2531-2701 | +5 |
| | Kolhapur – Grade S | 2486-2505 | 2481-2491 | +14 |
| | Vijayawada – Grade M | 2870 | 2840 | +30 |
| | Vijayawada- Grade S | 2730 | 2720 | +10 |
| | Nagpur – Grade S | 2780 | 2770 | +10 |
| | Kolkata – Grade SS | 2815 | 2840 | -25 |
| | Chennai - Grade S | 2610 | 2610 | Unch |
| Gur | Muzaffar Nagar (Cold Storage) | 2400 | 2400 | Unch |
| | Ahmadabad | 2650 | 2700 | -50 |
| | Kolhapur (Superfine) | 3000-3800 | 3000-3800 | Unch |

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

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

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