

Sugar & Gur Domestic Fundamentals:

- Sugar prices have increased in various sugar physical markets on Saturday. Increasing international prices and improved domestic demand improved the prices of sugar.
- ISMA urges government to allow additional 10 lakh tonnes sugar exports in the marketing year 2010-11 to help the sugar mills which can cover their losses grabbing increase export parity advantage.
- Steady sentiments recorded in all spot markets of Gur on Saturday. However, prevailing fundamentals are weak and higher stocks of chaku variety gur in cold storage puts pressure on markets. Also, traditional buyers of gur from muzaffarnagar market like Gujarat and Rajasthan buying Gur from Karnataka and Kolhapur market due to freight advantage.

Outlook:

Sugar prices have improved as improved demand from various states in Maharashtra and export notification of additional 5 lakh tonnes of sugar. We expects that the prices may take downward correction in prices from the present level as higher prices are not likely to sustain at the current level and traders may book their profits from current level which might pressurize the prices further for sugar.

NCDEX Sugar Futures

Contract	+/-	Open	High	Low	Close
July-11	-10.00	2772.00	2782.00	2752.00	2755.00
Aug-11	-5.00	2805.00	2830.00	2796.00	2800.00
Sept-11	-2.00	2826.00	2842.00	2815.00	2821.00

Contract	Volume	Change	OI	Change
Jul-11	15860	-20180	28880	2970
Aug-11	12050	-11950	25280	780
Sept-11	1750	-3340	8470	80

Spread	Jul-11	Aug-11	Sept-11
Basis	-5	-50	-71
July-11		45	66
Aug-11			21

Stocks	Demat	In-Process	Total	FED
	08.07.11	08.07.11	08.07.11	04.07.11
Kolhapur M	548	250	798	548
Belgaum S	0	300	300	748

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Aug-11	774	774	759.8	710.1	-1.2
Oct-11	714.5	716.6	701.5	706.1	-9.3
Dec-11	680.5	683.9	675	680.3	-8.6

NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
July-11	-1.00	993.00	996.00	990.00	990.00
Sept-11	-1.00	1028.00	1029.50	1025.00	1026.50
Nov-11	6.50	932.00	937.50	932.00	937.50

Contract	Volume	Change	OI	Change
July-11	2000	-2590	10190	-330
Sept-11	630	-2260	8640	-90
Nov-11	20	-40	960	0

Spread	July-11	Sept-11	Nov-11
Basis	0	-36.5	52.5
July-11		36.5	-52.5
Sept-11			-89

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Oct-11	27.59	27.74	27	27.68	0.08
Mar-12	27.15	27.15	26.38	27	0.06
May-12	25.92	25.92	25.29	25.98	0.06

Brazil Sugar Quotes (Kingsman)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	674.50	131.25
Raw Sugar C&F (\$/MT)	Black Sea	718.50	31.25
Sugar White FOB (\$/MT)	Santos Port	814.75	32.25

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Oct'11/Oct'11	99.75	-
Dec'11/Oct'11	69.5	-
Dec'11/Mar'12	95.5	-

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Commodity	Price	Change
Brazil Domestic Sugar	28.87	-
Brazil Anhydrous	25.15	-
Brazil Hydrous	23.76	-
Russian Imp. Parity/mt	68	-

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
Sugar		09-07-2011	08-07-2011	
	Delhi - Grade M	2950	2950	Unch
	Delhi - Grade S	2930	2930	Unch
	UP- Khatuali Grade M	2960	2950	+10
	UP- Ramala Grade M	2850	2850	Unch
	Mumbai –Grade M	2846-2991	2821-2971	+20
	Mumbai –Grade S	2796-2811	2771-2781	+30
	Kolhapur – Grade M	2740-2750	2700-2700	+50
	Kolhapur – Grade S	2680-2700	2650-2650	+50
	Vijayawada – Grade M	2970	2970	Unch
	Vijayawada- Grade S	2850	2850	Unch
	Nagpur – Grade S	2900	2890	+10
	Kolkata – Grade SS	2825	2820	+5
	Chennai - Grade S	2740	2725	+15
Gur	Muzaffar Nagar (Cold Storage)	2475	2475	Unch
	Ahmadabad	2750	2750	Unch
	Kolhapur (Superfine)	3000-3800	3000-3800	Unch

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

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