

Sugar & Gur Domestic Fundamentals:

- Steady to weak sentiments featured in sugar prices on Saturday. Due to weekend period no major sentiment was found in the domestic market.
- Retail demand also pick up in various centers gives support to the prices. However, markets participants are vigilant on awaited decision on sugar decontrolling. Fate of sugar prices will much depend on government policy change but we expect total sugar industry decontrol is not on the card.
- Meanwhile, currently around 720,000 bags of Chaku variety gur left in cold storage out of total 10, 90,000 bags. Rest 3, 70,000 bags are left for Khurpa, Raskat and Papdi variety Gur. Prices are likely to trade steady to positive in the coming week owing to expected rise in demand of Chaku variety Gur which further support the Gur prices further in the coming week.

Outlook:

Sugar prices have improved as improved demand from various states in Maharashtra and export notification of additional 5 lakh tonnes of sugar. Also, increasing international prices attract the exporters to export which improves export demand. We expect that prices are likely to stay steady to positive in the coming days.

NCDEX Sugar Futures

Contract	+/-	Open	High	Low	Close
Aug-11	-14	2797	2799	2774	2777
Sept-11	-12	2824	2827	2807	2809
Oct-11	+8	2827	2852	2827	2852

Contract	Volume	Change	OI	Change
Aug-11	11520	-2100	42790	29140
Sept-11	840	-18550	9920	-31040
Oct-11	30	-2460	20	-9520

Spread	Jul-11	Aug-11	Sept-11
Basis	28	-51	-67
July-11		76	105
Aug-11			31

Stocks	Demat	In-Process	Total	FED
	15.07.11	15.07.11	15.07.11	11.07.11
Kolhapur M	1999	-	1999	700
Kolhapur S	1098	299	1397	548
Belgaum S	550	50	600	-

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Oct-11	748.30	771.30	743.30	756.30	-8.20
Dec-11	714.80	734.70	710.30	720.30	-7.30
Mar-11	694.20	719.40	692.90	705.90	-3.60

NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
Sept-11	-9	1041.50	1042.00	1031.00	1033.00
Nov-11	-	939.00	945.50	939.00	944.50

Contract	Volume	Change	OI	Change
Sept-11	3510	2020	8890	3970
Nov-11	60	-2820	1080	-8000

Spread	July-11	Sept-11	Nov-11
Basis	18	-46	41
July-11		59	-34
Sept-11			-82

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Oct-11	28.92	29.95	28.50	28.97	-0.05
Mar-12	27.90	28.74	27.51	27.89	-0.18
May-12	26.57	27.25	26.09	26.47	-0.22

Brazil Sugar Quotes (Kingsman)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	705.50	1.00
Raw Sugar C&F (\$/MT)	Black Sea	747.50	1.00
Sugar White FOB (\$/MT)	Santos Port	806.50	-10.50

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Oct'11/Oct'11	114.25	14.5
Dec'11/Oct'11	73.50	4
Dec'11/Mar'12	102.25	6.75

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Commodity	Price	Change
Brazil Domestic Sugar	30.78	1.91
Brazil Anhydrous	24.85	-0.3
Brazil Hydrous	23.36	-0.4
Russian Imp. Parity/mt	-21	-21

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
Sugar		16-07-2011	15-07-2011	
	Delhi - Grade M	2960	2960	Unch
	Delhi - Grade S	2940	2940	Unch
	UP- Khatuali Grade M	2950	2955	-5
	UP- Ramala Grade M	2900	2900	Unch
	Mumbai –Grade M	2861-2981	2853-2981	Unch
	Mumbai –Grade S	2801-2821	2811-2835	-14
	Kolhapur – Grade M	2740-2745	2740-2740	+5
	Kolhapur – Grade S	2675-2700	2700-2710	-10
	Vijayawada – Grade M	3100	3100	Unch
	Vijayawada- Grade S	2980	2980	Unch
	Nagpur – Grade S	2900	2900	Unch
	Kolkata – Grade SS	2910	2900	+10
	Chennai - Grade S	2740	2740	Unch
Gur	Muzaffar Nagar (Cold Storage)	2450	2425	-25
	Ahmadabad	2750	2750	Unch
	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).

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.asp>