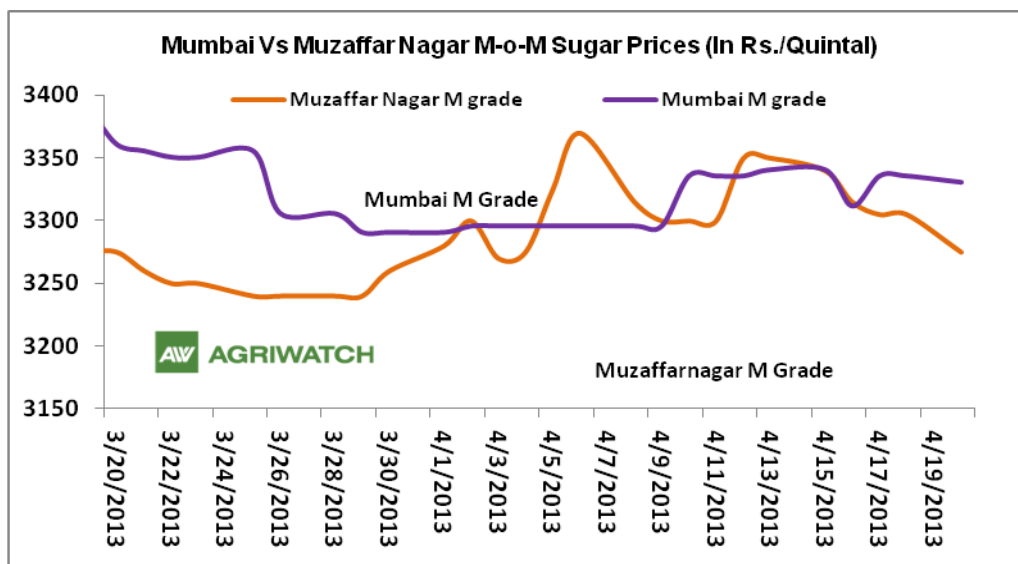


Sugar Price Trend and Outlook:

Sugar prices declined during the week ended 22nd April 2013. Higher selling by sugar mills in the open market led the prices of sugar decline.



Domestic Sugar Price Outlook:

Sugar prices are ruling in a downward trend. Major influencing factors are sugar selling by millers in the open market, sugar imports, and overall weak international sentiments due to global sugar surplus. Short term Price Outlook: Prices of sugar might continue its downtrend for short term with increasing supply by millers. Medium term Price Outlook: With increasing heat waves in the country, summer demand of sugar would pick up in May. In addition to it, closing of cane crushing operations and partial decontrol of sugar by government would turn the price sentiments up in the coming months as expected.

News Highlights:

- Around 10-12% decline in sugarcane acreage in Solapur district Maharashtra compared to last year owing to lower rainfall in the region. Some other areas like Satara and Kolhapur also affected with this drought like conditions. Millers are expecting rainfall in June to July period, if early rainfall occurred than it would help the cane yield for 2013-14 season.
- India sugar output reached 24.11 million tons till 15th April 2013 after crushing 240 million tons of cane with an average recovery of 10.11%. Present sugar production figures are down from 24.57 million tons of sugar produced at same period last year.
- Uttar Pradesh mills have crushed 793 lac tons of cane and produce 7.2 million tons of sugar with an average recovery of 9.19% till 15th April 2013.

Raw Sugar Import Opportunity:

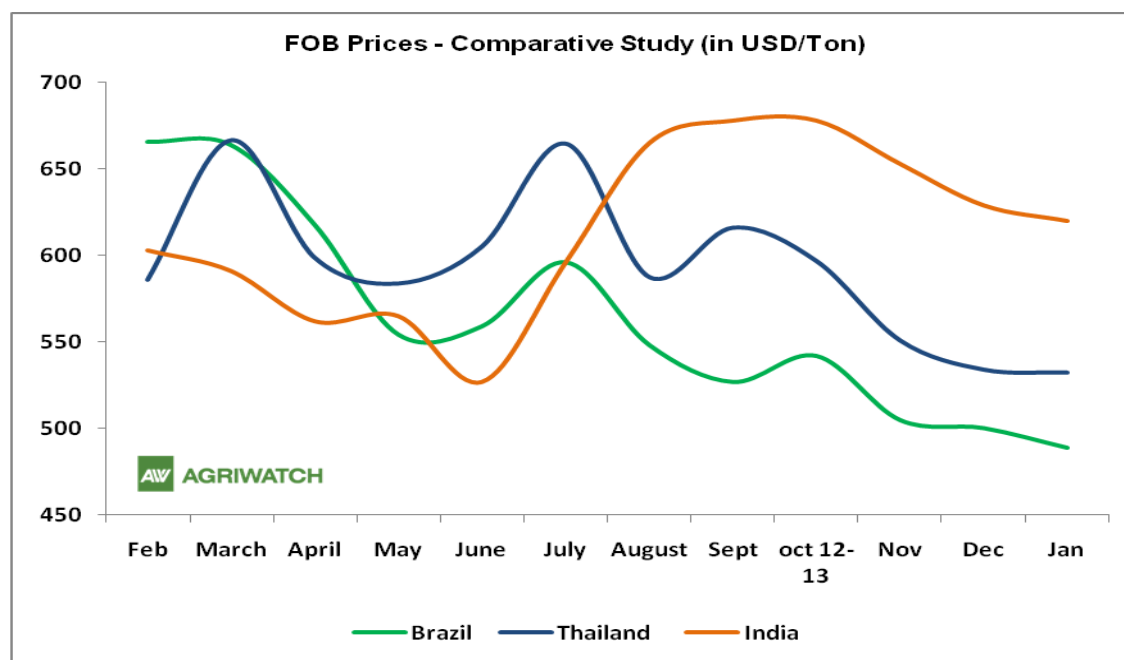
Indian sugar refiners again got opportunity to import raw sugar from Thailand and Brazil as higher degree of decrease in sugar prices in international markets compared to domestic markets take the prices to parity in case of sugar imports.

Indian indicative raw sugar CIF prices from Thailand quoted at \$508.44 per ton (including 10% import duty) and Indian domestic refined sugar FOB prices quoted at \$592.29 per ton Kolhapur based.

Comparative raw sugar CIF prices from various sugar sourcing countries to India are mentioned in the table below:

Indicative Import Parity/ Disparity (USD/MT) (\$=Rs.54.56) till 15 th April 2013			
	From Brazil	From Thailand	
CIF India (USD/MT)	509.65	508.44	

As far as India's sugar imports are concerned, we are expecting around 1.5 to 2 million tons of sugar imports in 2012-13. However, this week no sugar imports has been reported.



Spot Sugar Prices Scenario (Weekly)

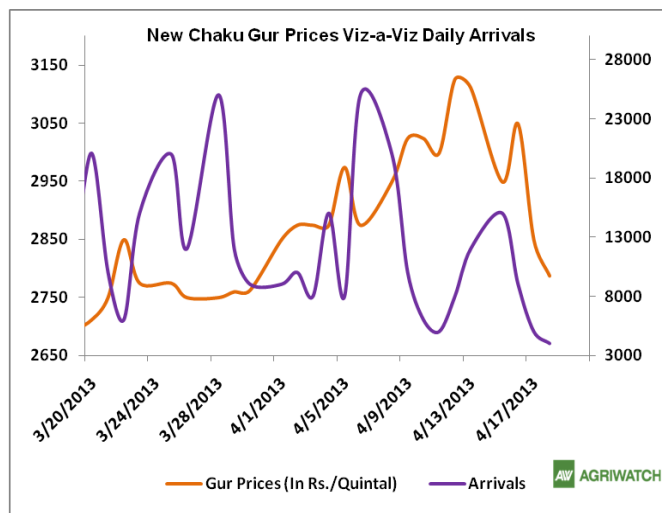
Commodity	Centre	Prices (Rs/Qtl)		Change
		20-Apr-13	12-Apr-13	
Sugar	Delhi - Grade M	3310	3370	-60
	Delhi - Grade S	3250	3280	-30
	Delhi - Grade L	3330	3385	-55
	UP- Khatauli Grade M	3275	3350	-75
	UP- Ramala Grade M	3250	3280	-30
	UP- Dhampur Grade M Ex-Mill	3225	3250	-25
	UP- Dhampur Grade S Ex-Mill	3205	3230	-25
	UP- Dhampur Grade L Ex-Mill	3275	3300	-25
	Mumbai –Grade M	3331	3336	-5
	Mumbai –Grade S	3186	3136	50
	Kolhapur – Grade M	3025	3100	-75
	Kolhapur – Grade S	2925	3300	-375
	Vijayawada – Grade M	3550	3550	Unch
	Vijayawada- Grade S	3450	3450	Unch
	Nagpur – Grade S	3350	3350	Unch
	Kolkata – Grade M	-	-	-
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	-	-	-
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	-	-	-
	Chennai - Grade S	3025	3050	-25

Gur Market Scenario and Outlook

Gur prices are moving in a range with weak tone presently owing to consistent arrivals and demand in cash market.

However, considering lower stock position in the cold storages, prices of gur likely to surge in the medium to long term.

Total around 1570000 bags of gur (40kg each) stored in cold storages till 15th April 2013 lower from 1396000 bags of gur at last year same period (40kg each). Out of total 1057000 bags of gur, around 932000 bags of Chaku gur, 118000 bags of Rascut, and 194000 bags of Papdi, stored in the cold storages as reported.



Gur prices are likely to move in a range with firm tone in the coming week owing to lower gur stock.

Gur Spot Prices (Rs/Qtl)				
Markets	Variety	20-Apr-13	12-Apr-13	
Muzaffar Nagar	New Chaku	2813	3128	-315
	Arrivals	12000	8000	4000
	Khurpa	2675	2920	-245
	Laddoo	2625	3150	-525
Bangalore	Achhu	2675	2850	-175
	Mudde	3075	3200	-125
Belgaum	Mudde	-	-	-
Belthangadi	yellow (Average)	3000	3400	-400
Bijapur	Achhu	3200	3600	-400
Gulbarga	Other (Average)	3100	3000	100
Mahalingapura	Penti (Average)	3100	3000	100
Mandya	Achhu (Medium)	3000	3000	Unch
	Kurikatu (Medium)	3000	2975	25
	Other (Medium)	-	2970	-
	Yellow (Medium)	3000	2900	100
Shimoga	Achhu (Average)	2600	2450	150

Commodity: Sugar
Contract: May

Exchange: NCDEX
Expiry: May 20, 2013

SUGAR (Weekly May Contract Chart)



Technical Commentary:

- Sugar prices are moving in a downtrend as chart depicts.
- However, RSI is hovering at oversold region.
- Prices might get support at Rs 2921 which is its immediate support level, breach of the mentioned level would take the prices down to Rs 2860.

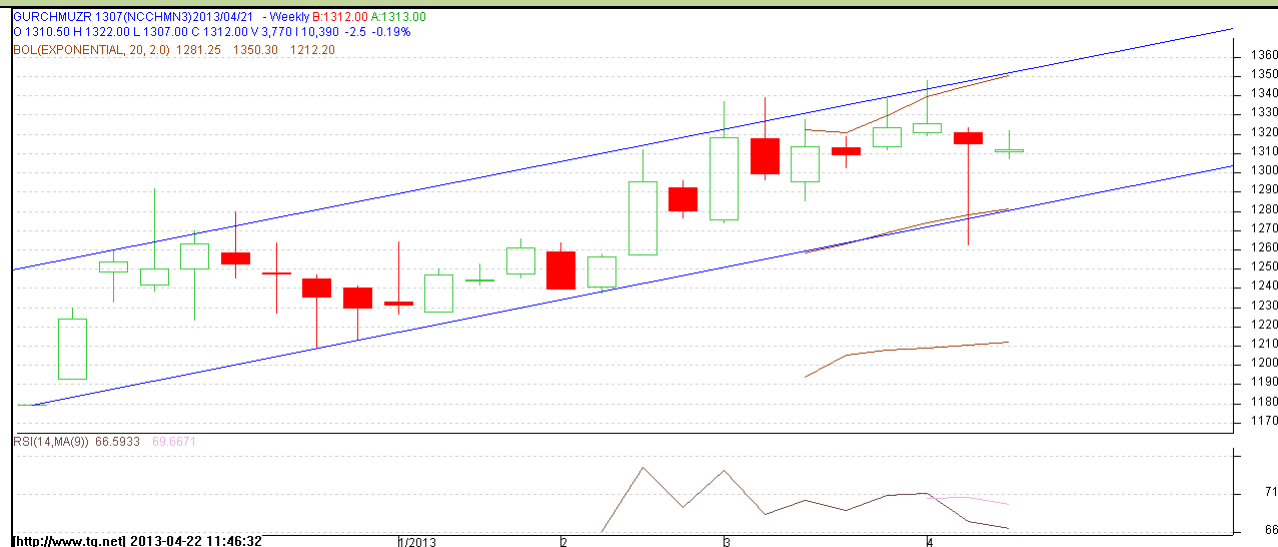
Strategy: Sell

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Sugar	NCDEX	May	-	2860	2939	2965	3000
Weekly Trade Call			Call	Entry	T1	T2	SL
Sugar	NCDEX	May	Sell	Near 2944	2890	2860	2965

Commodity: Gur
Contract: July

Exchange: NCDEX
Expiry: July 20, 2013

GUR (July Weekly Chart)



Technical Commentary:

- Gur prices are moving in an upward channel as chart depicts.
- Last candlestick shows that prices not sustained at lower levels.
- Increase in prices has supported by OI which indicates fresh buying in the gur market.
- However, RSI is hovering near to overbought region.

Strategy: Buy

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Gur	NCDEX	July	1303	1313	1314.5	1350	-
Weekly Trade Call			Call	Entry	T1	T2	SL
Gur	NCDEX	July	Buy	Near 1313	1337	1348	1303

International Scenario

International sugar prices are moving range bound to firm tone this week owing to rainfall in cane growing areas in Brazil which offset the impact due to higher sugar production over expectation by Thai mills.

We expect prices of sugar should move in a range with weak tone in the coming week in ICE as well as LIFFE.

International Market News Highlights:

- Iraq is willing to import 50000 tons of white sugar via international tender. Tender deadline is Apr 22nd and offers must remain valid till 26th Apr 2013. However, Iraq has mentioned that it would buy sugar from any sourcing countries except India and Thailand, according to news agencies.
- Russia, Belarus and Kazakhstan has increase the sugar import duty tariff to \$205 from \$140 per ton. The hike in sugar import duty would valid from 1st May 2013. These three countries has increase the import duty after considering increase in sugar prices in International arena.
- China produced 2.70 million tons of sugar in March 2013 which is up by 19% compared to 2.27 million tons sugar produced last year same period.
- Brazil cane belt got rainfall recently which likely to delay cane harvesting. However, production of cane in Brazil is bumper for 2013-14 marketing year.
- Thailand is likely to produce 9.7 million tons of sugar in 2012-13, according to OCSB. It is notable that Thai mills would wind up its cane crushing operations next week.
- Sugar prices tumble down in International sugar markets due to start of new sugarcane harvesting in Brazil for 2013-14 season.
- Thailand made 9.5 million tons of sugar in 2012-13 season that is higher than previous expectations. Out of total sugar production made by Thai mills, 6.5 million tons are raws and rest are whites.

International Sugar Prices (Weekly)				
	Contract Month	19-Apr-13	11-Apr-13	Change
ICE Sugar #11 (US Cent/lb)	May-13	17.97	17.84	0.13
	Jul-13	17.88	17.79	0.09
	Oct-13	18.23	18.17	0.06
LIFFE Sugar (US \$/MT)	Aug-13	508.8	497.6	11.2
	Oct-13	499.7	495.7	4
	Dec-13	505.4	503.4	2

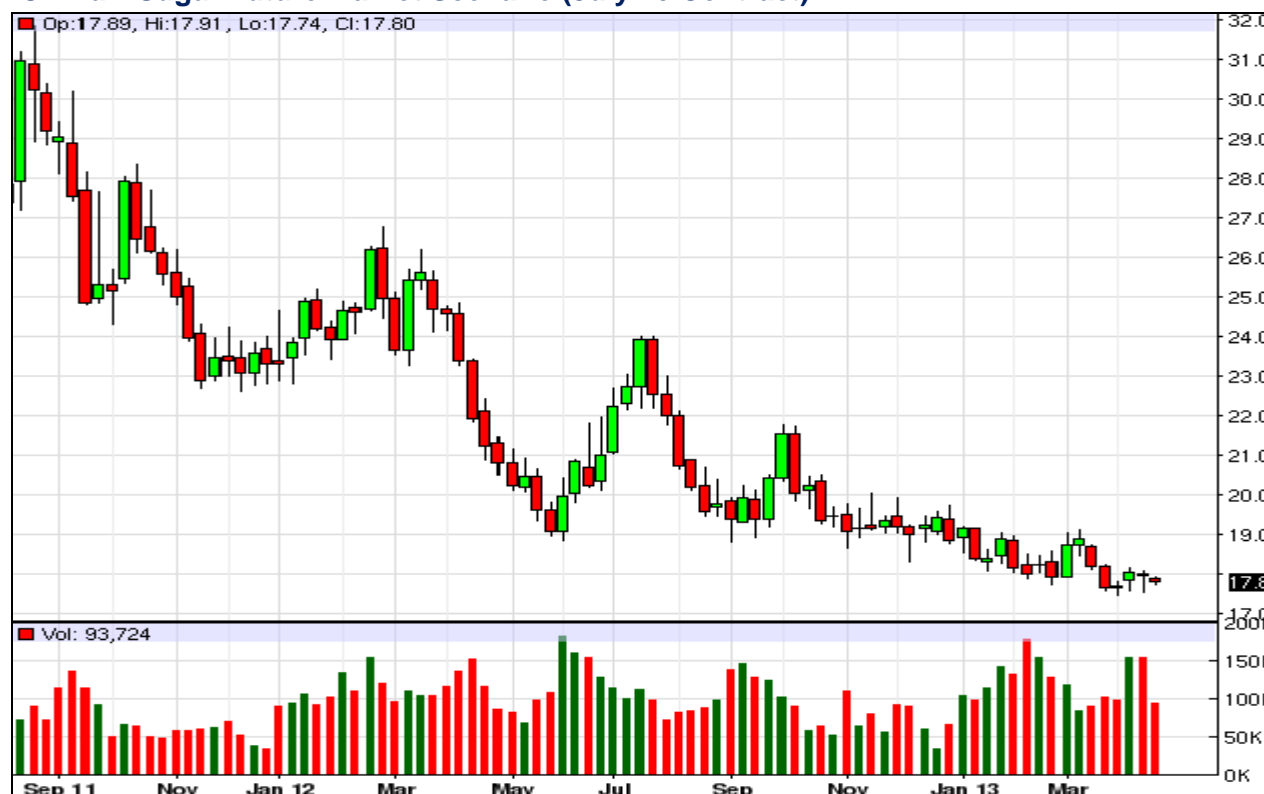
LIFFE Future Market Sugar Scenario (Aug Contract):



Technical Commentary:

- Sugar prices are continuously moving in a primary downtrend.
- Last candlestick suggests bearishness.
- However, RSI is hovering at neutral region.

International Sugar Futures Price Projection			
	Contract Month	Present Quote	Expected Price level for next week
LIFFE Sugar (US \$/MT)	Aug'13	508.8	490

ICE Raw Sugar Future Market Scenario (July'13 Contract):

Technical Commentary:

- ICE raw sugar futures are trading in a downward channel.
- Last candlestick depicts bearishness in the market.
- Market participants should make profit booking at 17.80 cents/lbs level.

International Sugar Futures Price Projection			
	Contract Month	Present Quote	Expected Price level for next week
ICE Sugar #11 (US Cent/lb)	July'13	17.97	17.80

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