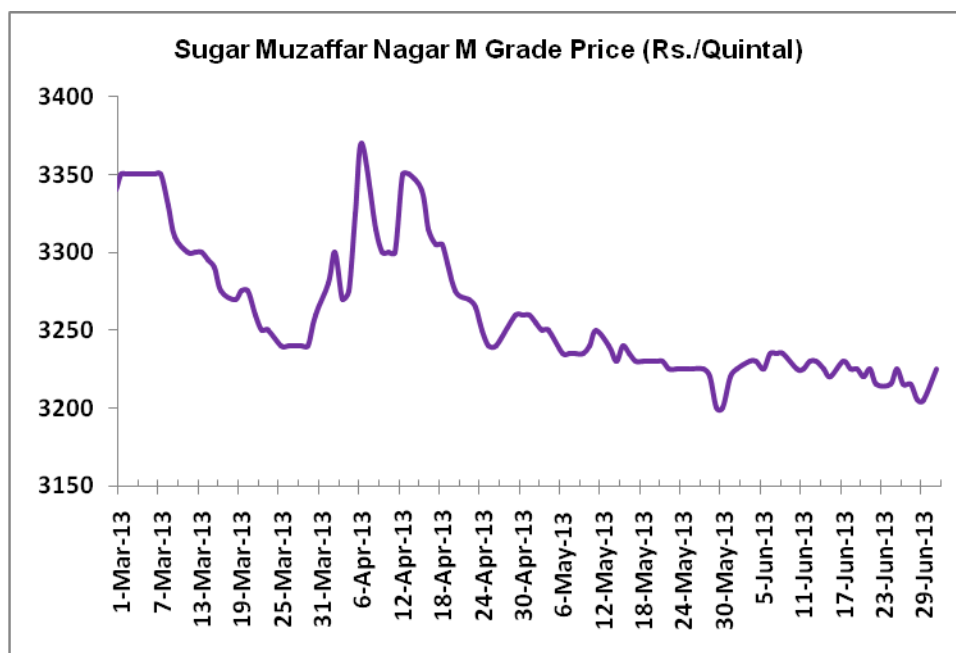


Sugar Price Trend and Outlook:

Sugar prices are moving in a range presently as markets are waiting for any cues which would drive the prices accordingly. However, trade sources expect prices should rebound in an upward direction in the coming days due to upcoming Ramadan festive demand of sugar.



Domestic Sugar Price Outlook:

We expect prices of sugar likely to shoot up in the coming week. Traders selling sugar at higher rates and increasing summer sugar demand led the prices upwards.

News Highlights:

- Around 75000 tons of sugar export deal has been reported in July from at \$500-510 per ton FOB basis that is heading towards Middle east countries as Ramadan festival increase the sugar demand.
- Sugar industry in UP has suggested introduction of new varieties of sugarcane to make its business more sustainable and also economically viable.
- State government is in a hurry to buy sugar from mills as Central govt. will stop procuring sugar for PDS across the country.
- Integrated Casetech has won the bid to run the alone UP sugar corporation sugar mill Mohiuddinpur sugar mill based in Meerut. It might take as a experiment by UP Government as government is planning to outsource 21 UP sugar state factories to private players as mills are running at a huge loss.
- Maharashtra mills has crack a sugar export deal of around 5 lac tons at Rs 2800-2825 per quintal ex-mill rate as reported. The shipments are bound to Middle east countries.
- India has imported around 3.06 lac tons of raw sugar (mainly from Brazil) in May 2013. Imported raw sugar mainly landed at Kolkata and Kandla port as reported.
- Total around 47.73 lac hectares of sugarcane sowing has been done till 28th June 2013. However, this year progressive sowing till last week is 4% lower compared to last year same

period. It is notable that sugarcane has been sowed in 2012-13 was 49.35 lac hectares till last week.

Sugarcane Sowing Update:

Total around 47.73 lac hectares of sugarcane sowing has been done till 28th June 2013. However, this year progressive sowing till last week is 4% lower compared to last year same period. It is notable that sugarcane has been sowed in 2012-13 was 49.35 lac hectares till last week.



As satellite picture shows, till last week around 20% excess rainfall has been recorded in key sugarcane growing belt except eastern and central part of Maharashtra which receive normal rainfall this year till date.

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 Brazil quoted at \$462.94 per ton (including 10% import duty) and Indian domestic refined sugar FOB prices quoted at \$542.04 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.58.76) till 17 th June 2013			
	From Brazil	From Thailand	
CIF India (USD/MT)	462.94	-	

Spot Sugar Prices Scenario (Weekly)

Commodity	Centre	Prices (Rs/Qtl)		Change
		28-Jun-13	21-Jun-13	
Sugar	Delhi - Grade M	3230	3245	-15
	Delhi - Grade S	3215	3200	15
	Delhi - Grade L	3300	3290	10
	UP- Khatauli Grade M	3205	3225	-20
	UP- Ramala Grade M	3160	3170	-10
	UP- Dhampur Grade M Ex-Mill	3070	3090	-20
	UP- Dhampur Grade S Ex-Mill	3050	3070	-20
	UP- Dhampur Grade L Ex-Mill	3120	3140	-20
	Mumbai –Grade M	3252	3252	Unch
	Mumbai –Grade S	3096	3102	-6
	Kolhapur – Grade M	3050	3060	-10
	Kolhapur – Grade S	2950	2960	-10
	Vijayawada – Grade M	3600	3600	Unch
	Vijayawada- Grade S	3450	3450	Unch
	Nagpur – Grade S	3230	3340	-110
	Kolkata – Grade M	-	3240	-
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3100	3100	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	3100	3100	Unch
	Chennai - Grade S	3100	3075	25

Gur Market Scenario and Outlook

Gur prices are moving in a range 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 1224000 bags of gur (40kg each) stored in cold storages till 17th June 2013 lower from 1317000 bags of gur at last year same period (40kg each). Out of total 1224000 bags of gur, around 750000 bags of Chaku gur, 131000 bags of Rascut, and 196000 bags of Papdi, stored in the cold storages as reported.

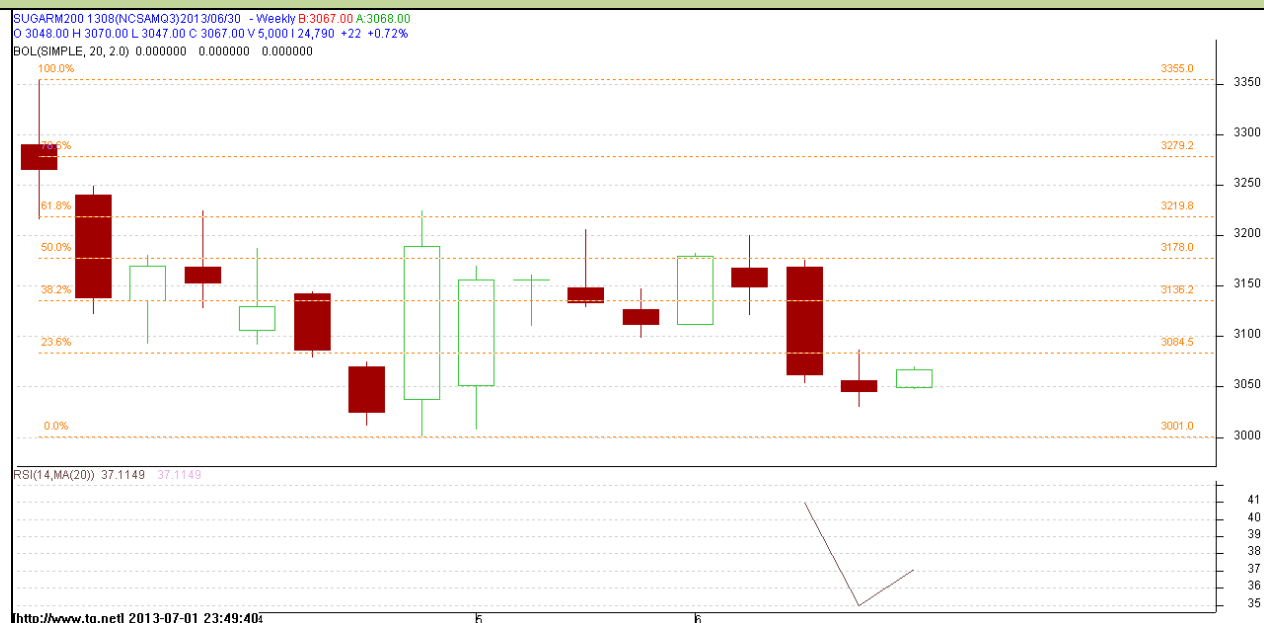
Gur prices are likely to move in a range with firm tone in the coming week owing to lower gur stock.

Gur Spot Price Scenario (Weekly)				
Markets	Variety	28-Jun-13	21-Jun-13	Change
Muzaffar Nagar	Chaku	3000	3038	-38
	Khurpa	2900	2900	Unch
	Laddu	2900	2800	100
	Rascut	2738	2725	13
Maharashtra	Latur(Lal Variety)	3200	3200	Unch
	Kolhapur	-	-	-
Bangalore	Achhu	3000	3000	Unch
	Mudde	3200	3200	Unch
Belgaum	Mudde	3000	2800	200
Belthangadi	Yellow (Average)	2800	-	-
Bijapur	Achhu	3200	3000	200
Gulbarga	Other (Average)	3000	2950	50
Mahalingapura	Penti (Average)	3140	3130	10
Mandya	Achhu (Medium)	2800	2800	Unch
	Kurikatu (Medium)	2500	2500	Unch
	Other (Medium)	2500	2550	-50
	Yellow (Medium)	2800	2800	Unch
Shimoga	Achhu (Average)	3575	3600	-25

Commodity: Sugar
Contract: August

Exchange: NCDEX
Expiry: August 20, 2013

SUGAR (Weekly Aug Contract Chart)



Technical Commentary:

- Sugar prices are showing some upward strength as chart depicts.
- Prices are hovering in range between Rs 2950 to Rs 3118, breach of the mentioned level either side would give the sugar prices a new direction.
- Prices might get support at Rs 3003 which is its immediate support level.
- Last candlestick depicts bullishness in the prices.

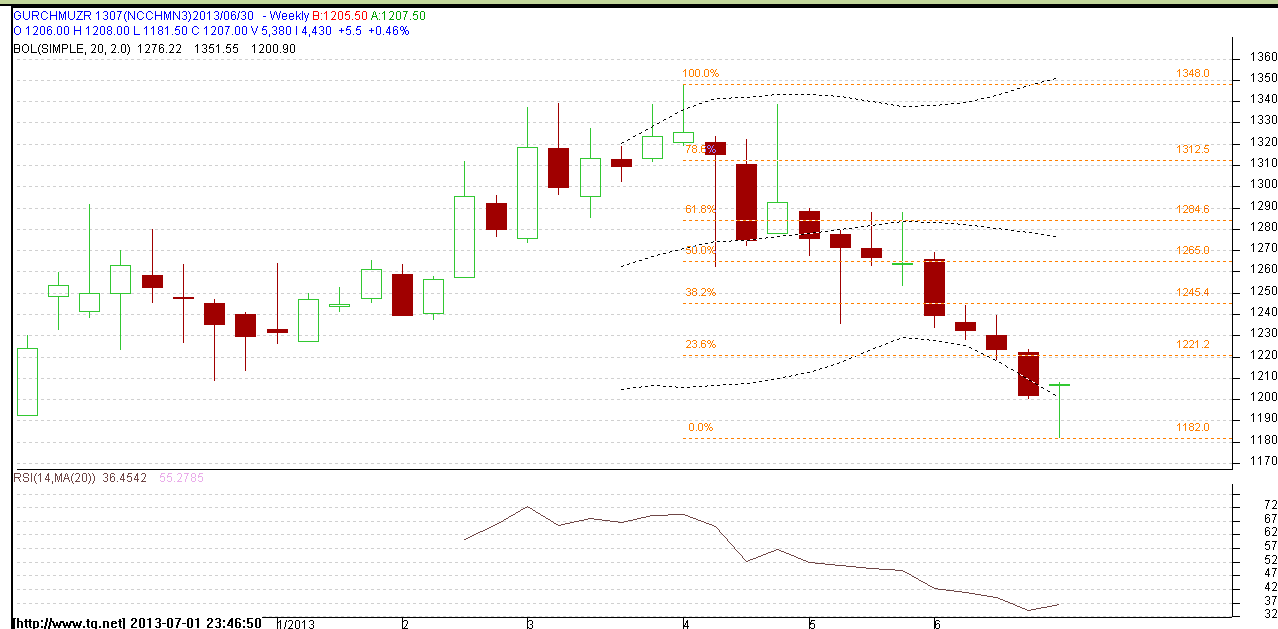
Strategy: Buy

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Sugar	NCDEX	August	3001	3030	3045	3136	3178
Weekly Trade Call			Call	Entry	T1	T2	SL
Sugar	NCDEX	August	Buy	Near 3050	3100	3125	3031

Commodity: Gur
Contract: July

Exchange: NCDEX
Expiry: July 20, 2013

GUR (July Weekly Chart)



Technical Commentary:

- Gur prices are hovering in a range as chart depicts.
- Breach of Rs. 1268 level would take the prices down to Rs.1235 level.
- Last candlestick depicts short participants could not sustain at lower levels.
- However, RSI is hovering near to neutral region.

Strategy: Buy

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Gur	NCDEX	July	1175	1181.5	1207	1245.5	1265
Weekly Trade Call			Call	Entry	T1	T2	SL
Gur	NCDEX	July	Buy	Near 1210	1230	1240	1199

International Scenario

Prices of sugar improved in International arena last week over higher cane diversion for making ethanol. In addition to it, improving demand from Middle east on the upcoming Ramadan festival also led the prices upwards.

Recently, Kingsman also downgrade global sugar surplus which also give some support to the prices.

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

International Market News Highlights:

- Kingsman sees 4.7 million tons global sugar surplus for 2012-13 which is 4% lower compared to prior estimate done by kingsman in May end. Lower production estimate for Australia and Ukraine urge them to slash its global surplus estimate.
- China sugar imports rose by 33% to 340773 tons in May 2013 up from 256095 tons sugar imported in the same month last year. Out of the total sugar imported by China, Brazil only contributes 13% of the total China sugar imports.
- Fresh buying occurred in International sugar future exchanges at lower levels over higher percentage of cane diversion for making ethanol.
- Russia sugar imports decline sharply in May to 631 tons down from 1.38 lac tons imported in the same month last year. It is notable that Russia has imported around 3.63 lac tons of sugar in the first five months up from 2.45 lac tons imported in the same period last year.

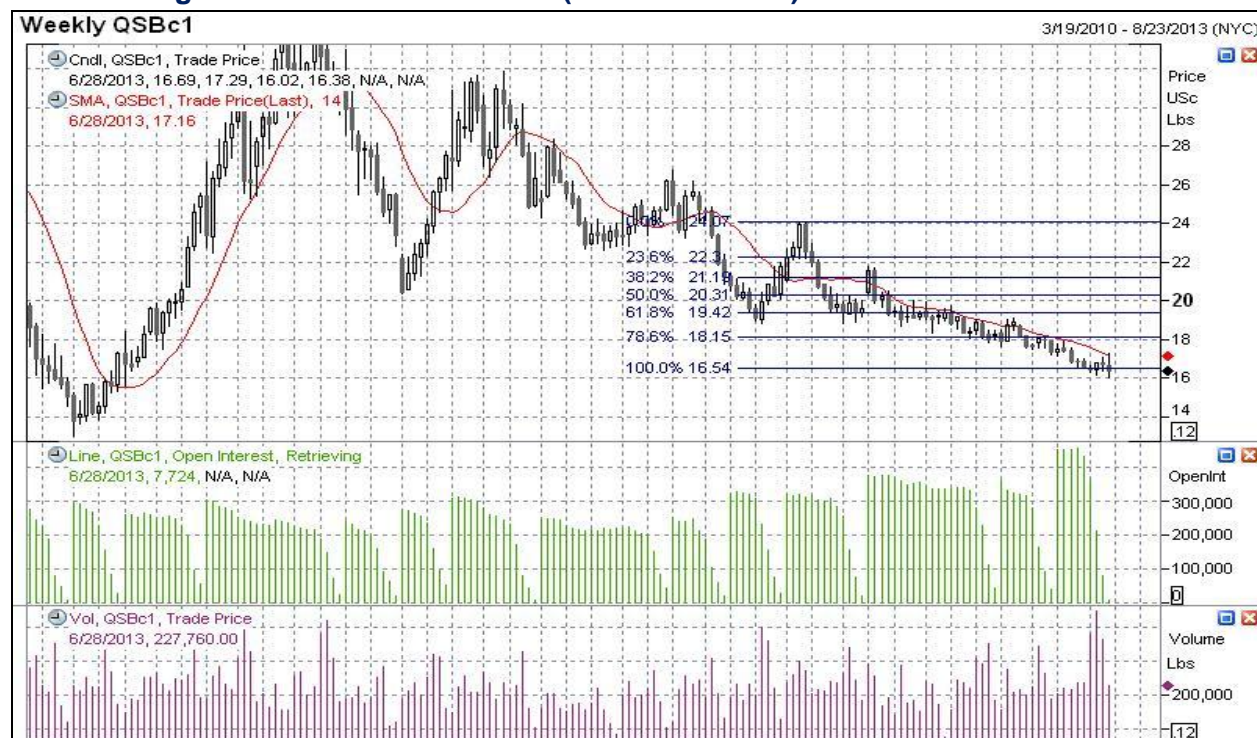
International Sugar Prices (Weekly)				
	Contract Month	27-Jun-13	20-Jun-13	Change
ICE Sugar #11 (US Cent/lb)	Jul-13	16.47	16.38	0.09
	Oct-13	17.01	16.66	0.35
	Mar-14	17.83	17.46	0.37
LIFFE Sugar (US \$/MT)	Aug-13	507.8	488.1	19.7
	Oct-13	486.5	470.5	16
	Dec-13	483.3	472.6	10.7

LIFFE Future Market Sugar Scenario (Aug Contract):

Technical Commentary:

- Sugar prices are presently consolidate in a range as chart depicts.
- Last candlestick suggests bullishness.
- Prices tested 61.8% fibonnaci projection level and close at 78.6% level. We expect prices likely to continue its upward correction in the coming week.
- Increase in prices has supported by volume.

International Sugar Futures Price Projection			
	Contract Month	Present Quote	Expected Price level for next week
LIFFE Sugar (US \$/MT)	Aug'13	507.8	527

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

Technical Commentary:

- ICE raw sugar futures are trading in a downward channel. However, trying to rebound from present level.
- Last candlestick depicts bullishness in the market.
- Market participants should make profit booking at 18 cents/lbs level.

International Sugar Futures Price Projection			
	Contract Month	Present Quote	Expected Price level for next week
ICE Sugar #11 (US Cent/lb)	Oct'13	17.01	18

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