

Bulk buying sweetens spot sugar

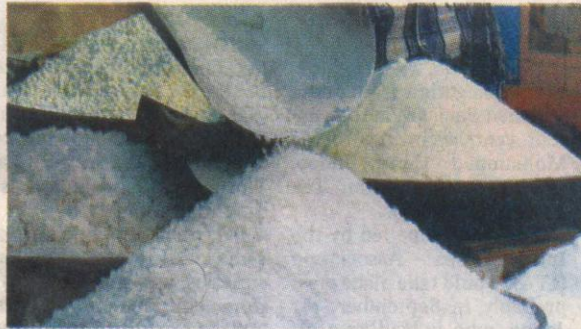
NewsWire18

New Delhi, April 11

Bulk buying continued to push up sugar prices in the wholesale market of Delhi on Wednesday, traders said. Prices ended largely unchanged in Mumbai, they said.

Prices in Delhi rose by Rs 5 a quintal owing to firm purchases by bulk buyers, traders said. Price of the sweetener in Kolhapur was buoyed by higher offtake and rose by Rs 30 a quintal, traders said.

With the onset of summer season, stockists are gearing up for rising demand from major bulk buyers such as aerated drink and ice-cream manufacturers, a Delhi-based



trader said.

Prices in Delhi have increased by Rs 15-20 a quintal in the last few sessions. They are expected to rise further by around Rs 20 a quintal by the end of this week as demand

from stockists is likely to sustain, the trader said.

In Mumbai, prices were steady as buyers refrained from bulk purchases, traders said. It fetched Rs 3,021 a quintal in the city.

Traders expect prices to

be flat during the week. Buyers are awaiting a fall in prices before they resume bulk purchases, a Mumbai-based trader said.

Contracts on the National Commodity and Derivatives Exchange ended in the red, weighed down by high output estimates, analysts said.

According to Indian Sugar Mills Association, the country's production is likely to rise to 26 million tonnes in 2011-12 (October-September) from 24.3 million tonnes a year ago.

The front-month contract closed at Rs 2,757 a quintal, down Rs 4. —

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