

## Sugar & Gur Domestic & International Fundamentals:

- Steady to weak sentiments recorded in various key spot markets on Thursday.
- Buyers are not showing interest in buying sugar in falling market. Market is expecting some further prices decline in the coming days. Also, improved cane crushing data from various key sugar producing states increase the supply situation of sugar in the market.
- Bangladesh issued 25000 tonnes of sugar import tender which might be a good deal for North Indian Mills who have export licenses. Last date of submission of bid is January 28.
- Sugar parity could be seen from UP region also due to recent decline in domestic prices.
- On International front, considering higher sugar production scenario from China, Thailand, India and EU, prices are likely to stay under pressure.
- Improved demand of gur in Muzaffar nagar today led the prices surge. Meanwhile, daily 6000 bags (40 kg each) are arriving in the market.

## Outlook:

Sugar prices are tumbling in various spot markets as good pace of crushing by millers improved the supply of sugar in the open markets. We expect prices are likely to trade range bound with weak tone in the coming week.

### NCDEX Sugar Futures

| Contract | +/- | Open | High | Low  | Close |
|----------|-----|------|------|------|-------|
| Dec-11   | -64 | 2891 | 2903 | 2836 | 2838  |
| Jan-12   | -12 | 2891 | 2906 | 2875 | 2890  |
| Feb-12   | 4   | 2910 | 2915 | 2894 | 2911  |

| Contract | Volume | Change | OI    | Change |
|----------|--------|--------|-------|--------|
| Dec-11   | 21010  | -2550  | 36690 | -6260  |
| Jan-12   | 13220  | 1780   | 25380 | -540   |
| Feb-12   | 3660   | -60    | 12180 | 430    |

| Spread | Dec-11 | Jan-12 | Feb-12 |
|--------|--------|--------|--------|
| Spot   | 87     | 35     | 14     |
| Dec-11 |        | 52     | 73     |
| Jan-12 |        |        | 21     |

| Stocks     | Demat<br>14-12-11 | In-Process<br>14-12-11 | Total<br>14-12-11 | FED<br>12.12.11 |
|------------|-------------------|------------------------|-------------------|-----------------|
| Kolhapur M | -                 | -                      | -                 | -               |
| Kolhapur S | 3106              | 1350                   | 4456              | 3106            |

### NCDEX Gur Futures:

| Contract | +/- | Open | High   | Low  | Close  |
|----------|-----|------|--------|------|--------|
| Dec-11   | 8   | 1030 | 1040   | 1028 | 1040   |
| Jan-12   | 2   | 1066 | 1069   | 1062 | 1066   |
| Mar-12   | 1   | 1097 | 1100.5 | 1094 | 1095.5 |

| Contract | Volume | Change | OI   | Change |
|----------|--------|--------|------|--------|
| Dec-11   | 340    | -2590  | 1180 | -250   |
| Jan-12   | 2650   | -4020  | 7860 | -250   |
| Mar-12   | 1580   | -2380  | 5650 | -360   |

| Spread | Dec-11 | Jan-12 | Mar-12 |
|--------|--------|--------|--------|
| Spot   | -10    | -36    | -65.5  |
| Dec-11 |        | 26     | 55.5   |
| Jan-12 |        |        | 29.5   |

### LIFFE Sugar Futures (In US\$/MT)

| Contract | Open  | High  | Low   | Close | +/-   |
|----------|-------|-------|-------|-------|-------|
| Mar-12   | 610   | 610.3 | 592.6 | 597.7 | -10.9 |
| May-12   | 601.5 | 601.8 | 586   | 589.8 | -11.2 |
| Aug-12   | 594.9 | 595.6 | 580   | 583.3 | -11.2 |

### ICE Sugar Futures (In Cents/Pound)

| Contract | Open  | High  | Low   | Close | +/-   |
|----------|-------|-------|-------|-------|-------|
| Mar-12   | 23.41 | 23.53 | 22.68 | 22.8  | -0.64 |
| May-12   | 23.05 | 23.1  | 22.3  | 22.36 | -0.69 |
| July-12  | 22.62 | 22.71 | 21.99 | 22.04 | -0.68 |

## Brazil Sugar Quotes (Kingsman)

| Commodity               | Place       | Price  | Change        |
|-------------------------|-------------|--------|---------------|
| Raw Sugar FOB (\$/MT)   | Santos Port | 517.00 | <b>-11.75</b> |
| Raw Sugar C&F (\$/MT)   | Black Sea   | 554.00 | <b>-10.75</b> |
| Sugar White FOB (\$/MT) | Santos Port | 636.00 | <b>-11.75</b> |

## Brazil White Sugar Premium (US\$/MT)

| Contract      | Close | +/-         |
|---------------|-------|-------------|
| Mar'12/Mar'12 | 92.5  | <b>-0.5</b> |
| May'12/May'12 | 94.25 | <b>0</b>    |
| Aug'12/Jul'12 | 95.5  | <b>0</b>    |

## Brazil Sugar/ Ethanol Prices (In Cents/lb)

| Commodity             | Price | Change       |
|-----------------------|-------|--------------|
| Brazil Domestic Sugar | 26.6  | <b>-0.19</b> |
| Brazil Anhydrous      | 22.17 | <b>-0.23</b> |
| Brazil Hydrous        | 22.17 | <b>-0.23</b> |

## Sugar and Gur Prices at Key Spot Markets:

| Commodity | Centre               | Prices (Rs/Qtl) |            | Change     |
|-----------|----------------------|-----------------|------------|------------|
|           |                      | 15-12-2011      | 14-12-2011 |            |
| Sugar     | Delhi - Grade M      | 3200            | 3200       | Unch       |
|           | Delhi - Grade S      | 3100            | 3100       | Unch       |
|           | UP- Khatuali Grade M | 3200            | 3200       | Unch       |
|           | UP- Ramala Grade M   | 3100            | 3100       | Unch       |
|           | Mumbai –Grade M      | 3151            | 3181       | <b>-30</b> |
|           | Mumbai –Grade S      | 3016            | 3061       | <b>-45</b> |
|           | Kolhapur – Grade M   | 2925            | 2950       | <b>-25</b> |
|           | Kolhapur – Grade S   | 2825            | 2860       | <b>-35</b> |
|           | Vijayawada – Grade M | 3350            | 3350       | Unch       |
|           | Vijayawada- Grade S  | 3200            | 3200       | Unch       |
|           | Nagpur – Grade M     | 3250            | 3250       | Unch       |
|           | Kolkata – Grade M    | 3220            | -          | -          |
|           | Chennai - Grade S    | 2825            | 2900       | <b>-75</b> |

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

| Gur Spot Prices (Rs/Qtl) |                     |            |            |        |
|--------------------------|---------------------|------------|------------|--------|
| Markets                  | Variety             | 15-12-2011 | 14-12-2011 | Change |
| Muzaffar Nagar           | Chaku (New Arrival) | 2575       | 2550       | +25    |
|                          | Khurpa              | 2400       | 2400       | Unch   |
|                          | Laddu               | 2500       | 2500       | Unch   |
|                          | Rascut              | 2325       | 2200       | +125   |
| Maharashtra              | Lal Variety         | 2400       | -          | -      |
| Bangalore                | Achhu               | 2800       | 2800       | Unch   |
|                          | Mudde               | 3000       | 3000       | Unch   |
| Belgaum                  | Mudde               | 2400       | 2400       | Unch   |
| Belthangadi              | Yellow (Average)    | 3100       | 3100       | Unch   |
| Bijapur                  | Achhu               | 2300       | -          | -      |
| Gulbarga                 | Other (Average)     | 2356       | 2365       | -10    |
| Mahalingapura            | Penti (Average)     | 2340       | 2350       | -10    |
| Mandya                   | Achhu (Medium)      | 2300       | 2300       | Unch   |
|                          | Kurikatu (Medium)   | 2150       | 2150       | Unch   |
|                          | Other (Medium)      | 2150       | 2200       | -50    |
|                          | Yellow (Medium)     | 2200       | 2250       | -50    |
| Shimoga                  | Achhu (Average)     | 2875       | 2975       | -100   |

| UP Private Mills Tender Rates |              |            |            |        |
|-------------------------------|--------------|------------|------------|--------|
| Centre                        | Origin/Grade | 15-12-2011 | 14-12-2011 | Change |
| Dorala                        | M-30         | 3020       | 3025       | -5     |
| Mawana                        | M-30         | 3130       | 3160       | -30    |
| Modinagar                     | M-30         | 3040       | 3045       | -5     |
| Malakpur                      | M-30         | 3015       | 3020       | -5     |
| Simbholi                      | M-30         | 3020       | 3205       | -185   |
| Asamoli                       | M-30         | 3130       | 3170       | -40    |
| Dhanora                       | M-30         | 3180       | -          | -      |
| Dhampur                       | M-30         | 3150       | 3040       | +110   |
| Kinnoni                       | M-31         | 3100       | 3220       | -120   |
| Budhana                       | M-31         | 3020       | 3120       | -100   |
| Thanabhavan                   | M-31         | 3170       | 3120       | +50    |

| UP Government Mills Tender Rates |              |            |            |        |
|----------------------------------|--------------|------------|------------|--------|
| Centre                           | Origin/Grade | 15-12-2011 | 14-12-2011 | Change |
| Morna                            | M-30         | 2900       | 2900       | Unch   |
| Nanotha                          | M-30         | 2885       | 2885       | Unch   |
| Nazibabad                        | M-30         | 2890       | 2890       | Unch   |
| Ramlaxman                        | M-30         | -          | -          | -      |
| Sakoti                           | M-30         | 2840       | 2840       | Unch   |
| Amroha                           | M-30         | -          | -          | -      |
| Chandpur                         | M-30         | -          | -          | -      |

| UP Cooperative Mills Tender Rates |              |            |            |        |
|-----------------------------------|--------------|------------|------------|--------|
| Centre                            | Origin/Grade | 15-12-2011 | 14-12-2011 | Change |
| Baghpat                           | M-30         | 2970       | 2970       | Unch   |
| Gajraula                          | M-30         | 2900       | 2900       | Unch   |
| BulandShahar                      | M-30         | -          | -          | -      |
| Anupshahar                        | M-30         | 2880       | 2880       | Unch   |

| Maharashtra Cooperative Mills Tender Prices |              |            |            |
|---|--------------|------------|------------|
| Centre                                      | Origin/Grade | 14-12-2011 | 13-12-2011 |
| WARANA                                      | S/30.PP      | 2875       | -          |
| LOKNETE                                     | S/30         | 2808       | -          |
|   | M/30         | 2908       | -          |
| DATTWADI                                    | S1.PP        | 2875       | 2913       |
|   | M/30.JK      | -          | 3028       |
| CHIKKODI                                    | S/30.JB      | 2878       | -          |
|   | M/30.JB      | 2950       | -          |
| KUKDI                                       | S/30.PP      | 2830       | -          |
| GHODGANGA                                   | S/30.JB      | 2851       | -          |
| SOMESHWAR                                   | S1.PP        | 2840       | -          |
|   | M/30.PP      | 2908       | -          |
| SADASHIV                                    | S/30.JB      | 2820-2840  | -          |
|   | M/30.JB      | 2875       | -          |

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