

Sugar & Gur Domestic & International Fundamentals:

- Steady to weak sentiment featured in Sugar spot market on Monday. Buyers were reported inactive in the spot market.
- Sugar prices are trading at lower prices level. We expect at lower prices level buyers may active in the market and lend supports the prices to move.
- Sugar production in India till December 15 has increased by 18.7% as compared to the same period last year.
- According to Indian Sugar Mills Association (ISMA) the all India sugar production till December 15 is 45.84 lakh tonnes as compared to 38.63 lakh tonnes in the same period last year. In Uttar Pradesh sugar production of 12.85 lakh tonnes till December 15, 2011 as compared to 8.55 lakh tonnes for the same period last year. Similarly in Maharashtra production till December 15, 2011 is 17.50 lakh tonnes, higher by 1.25 lakh tonnes as compared to 16.25 lakh tonnes produced till December 15 last year.
- Mixed sentiment witnessed in Gur spot market today.
- Sources revealed that, considering higher cane price payment by millers to farmers, Kolhus might find difficulty in procuring cane which will decrease the supply of gur in the market. Also, demand for gur is expected to increase which will support the prices of gur in the coming month.

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	14.00	2775.00	2820.00	2775.00	2791.00
Jan-12	17.00	2850.00	2890.00	2843.00	2865.00
Feb-12	14.00	2898.00	2913.00	2890.00	2899.00

Contract	Volume	Change	OI	Change
Dec-11	6,010	-19980	9850	-3720
Jan-12	11,730	-8470	31290	1390
Feb-12	1,320	-4130	14190	160

Spread	Dec-11	Jan-12	Feb-12
Spot	84	10	-24
Dec-11		74	108
Jan-12			34

Stocks	Demat 17-12-11	In-Process 17-12-11	Total 17-12-11	FED 12.12.11
Kolhapur M	0	1664	1664	-
Kolhapur S	4355	2798	7153	3106

NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
Dec-11	3.50	1044.00	1047.00	1038.00	1040.00
Jan-12	19.00	1066.00	1080.50	1066.00	1079.50
Mar-12	16.50	1096.00	1111.50	1095.00	1106.00

Contract	Volume	Change	OI	Change
Dec-11	280	260	520	-270
Jan-12	4,740	940	8110	200
Mar-12	2600	480	6130	270

Spread	Dec-11	Jan-12	Mar-12
Spot	10	-29.5	-56
Dec-11		39.5	66
Jan-12			26.5

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Mar-12	603.00	603.20	595.10	599.70	+3.40
May-12	594.00	594.00	587.30	591.00	+2.80
Aug-12	587.70	587.70	581.50	584.90	+2.80

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Mar-12	23.10	23.14	22.76	23.08	+0.33
May-12	22.50	22.74	22.41	22.69	+0.29
July-12	22.25	22.45	22.17	22.41	+0.28

Brazil Sugar Quotes (Kingsman)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	517.50	-
Raw Sugar C&F (\$/MT)	Black Sea	553.50	-1.00
Sugar White FOB (\$/MT)	Santos Port	631.50	-5.00

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Mar'12/Mar'12	93.25	0.75
May'12/May'12	93.50	-0.75
Aug'12/Jul'12	93.75	-1.75

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Commodity	Price	Change
Brazil Domestic Sugar	26.48	-0.12
Brazil Anhydrous	22.10	-0.07
Brazil Hydrous	22.11	-0.06

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		19-12-2011	17-12-2011	
Sugar	Delhi - Grade M	3115	3180	-65
	Delhi - Grade S	2950	3075	-125
	UP- Khatuali Grade M	-	3150	-
	UP- Ramala Grade M	2970	3080	-110
	Mumbai –Grade M	3051	3081	-30
	Mumbai –Grade S	2961	2951	+10
	Kolhapur – Grade M	2875	2875	Unch
	Kolhapur – Grade S	2800	2800	Unch
	Vijayawada – Grade M	3250	3280	-30
	Vijayawada- Grade S	3160	3170	-10
	Nagpur – Grade M	3150	3150	Unch
	Kolkata – Grade M	-	3220	-
	Chennai - Grade S	2825	2825	Unch

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

Gur Spot Prices (Rs/Qtl)				
Markets	Variety	19-12-2011	17-12-2011	Change
Muzaffar Nagar	Chaku (New Arrival)	2625	2650	-25
	Khurpa	2450	2400	+50
	Laddu	2650	2600	+50
	Rascut	2375	2375	Unch
Maharashtra	Lal Variety	2400	2400	Unch
Bangalore	Achhu	2700	2800	-100
	Mudde	3000	3000	Unch
Belgaum	Mudde	-	2300	-
Belthangadi	Yellow (Average)	3100	3100	Unch
Bijapur	Achhu	2250	2240	+10
Gulbarga	Other (Average)	2454	2402	-52
Mahalingapura	Penti (Average)	2310	-	-
Mandya	Achhu (Medium)	2200	2300	-100
	Kurikatu (Medium)	2100	2125	-25
	Other (Medium)	2100	2100	Unch
	Yellow (Medium)	2150	2150	Unch
Shimoga	Achhu (Average)		-	-

UP Private Mills Tender Rates				
Centre	Origin/Grade	19-12-2011	17-12-2011	Change
Dorala	M-30	3035	3035	Unch
Mawana	M-30	3120	3120	Unch
Modinagar	M-30	3025	3025	Unch
Malakpur	M-30	3005	3005	Unch
Simbholi	M-30	3145	3145	Unch
Asamoli	M-30	3120	3120	Unch
Dhanora	M-30	3100	3100	Unch
Dhampur	M-30	3040	3040	Unch
Kinnoni	M-31	3155	3155	Unch
Budhana	M-31	3055	3055	Unch
Thanabhavan	M-31	3055	3055	Unch

UP Government Mills Tender Rates				
Centre	Origin/Grade	19-12-2011	17-12-2011	Change
Morna	M-30	2870	2870	Unch
Nanotha	M-30	2960	2960	Unch
Nazibabad	M-30	2860	2860	Unch
Ramlaxman	M-30	-	-	-
Sakoti	M-30	2820	2820	Unch
Amroha	M-30	-	-	-
Chandpur	M-30	-	-	-

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	19-12-2011	17-12-2011	Change
Baghpat	M-30	2960	2960	Unch
Gajraula	M-30	2860	2860	Unch
BulandShahar	M-30	-	-	-
Anupshahar	M-30	2860	2860	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	17-12-2011
SOMESHWAR	S1.JB	2820
	M/30.JB	2900
SANKHESHWAR	S1.PP	2778
HUTATMA	S1.JB	2948
	M/30.JB	3048

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