

Sugar & Gur Domestic & International Fundamentals:

- Steady to weak sentiments recorded in various sugar spot markets on Monday.
- Sugar spot prices are continuously moving down owing to ample sugar supply in the markets. Meanwhile, millers are crushing cane at its full face.
- Markets are moving range bound in sugar futures with weak bias. However, markets will decide its further direction after January sugar quota which will be going to announce by government in the coming week.
- Farmers are getting lesser yield from their sugarcane crop for ratoon crop in Western UP as reported due to various diseases like White Grab and Top Borror which affect the cane yield upto 50%.
- However market participants are expecting that, demand for jaggery may increase due to the upcoming Sankranti and Pongal festivals in January, resulting in an increase in jaggery prices across the country.
- As per our initial data from our survey, gur diversion from cane is lesser compared to last year as Kolhus are paying lesser cane prices than millers.

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
Jan-12	25.00	2873.00	2915.00	2861.00	2901.00
Feb-12	25.00	2905.00	2942.00	2900.00	2935.00
Mar-12	15.00	2950.00	2980.00	2950.00	2968.00

Contract	Volume	Change	OI	Change
Jan-12	18,160	15330	36480	4260
Feb-12	2,750	2330	15280	140
Mar-12	370	330	1770	-30

Spread	Jan-12	Feb-12	Mar-12
Spot	-1	-35	-68
Jan-11		34	67
Feb-12			33

Stocks	Demat 24-12-11	In-Process 24-12-11	Total 24-12-11	FED 19.12.11
Kolhapur M	1199	0	1199	899
Kolhapur S	6580	0	6580	3106

NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
Jan-12	-2.50	1068.50	1080.00	1065.50	1070.50
Mar-12	-3.00	1090.50	1094.00	1088.50	1090.50
Apr-12	-	-	-	-	-

Contract	Volume	Change	OI	Change
Jan-12	1,630	320	8570	-30
Mar-12	1,910	1090	7580	410
Apr-12	-	-	-	-

Spread	Jan-12	Mar-12	Apr-12
Spot	-78.5	-98.5	-
Jan-12		20	-
Mar-12			-

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Mar-12	609.8	612.5	609.3	611.2	+2.4
May-12	600.7	602.4	600	601.6	+2.5
Aug-12	594.5	596.4	593.8	596	+2.5

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Mar-12	23.5	23.86	23.5	23.59	+0.15
May-12	23.12	23.36	23.03	23.09	+0.11
July-12	22.71	22.99	22.67	22.7	+0.01

Brazil Sugar Quotes (Kingsman)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	532.50	-
Raw Sugar C&F (\$/MT)	Black Sea	568.50	-
Sugar White FOB (\$/MT)	Santos Port	646.50	-

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Mar'12/Mar'12	92.00	-
May'12/May'12	92.50	-
Aug'12/Jul'12	93.75	-

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Commodity	Price	Change
Brazil Domestic Sugar	26.16	-
Brazil Anhydrous	22.11	-
Brazil Hydrous	21.92	-

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		26-12-2011	24-12-2011	
Sugar	Delhi - Grade M	3115	3125	-10
	Delhi - Grade S	2990	3000	-10
	UP- Khatuali Grade M	-	3195	-
	UP- Ramala Grade M	3050	3065	-15
	Mumbai –Grade M	3061	3096	-35
	Mumbai –Grade S	2951	2961	-10
	Kolhapur – Grade M	2900	2925	-25
	Kolhapur – Grade S	2800	2825	-25
	Vijayawada – Grade M	3220	3220	Unch
	Vijayawada- Grade S	3120	3120	Unch
	Nagpur – Grade M	3150	3150	Unch
	Kolkata – Grade M	-	3180	-
	Chennai - Grade S	2800	2800	Unch

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

Gur Spot Prices (Rs/Qtl)				
Markets	Variety	26-12-2011	24-12-2011	Change
Muzaffar Nagar	Chaku (New Arrival)	2500	2480	+20
	Khurpa	2450	2350	+100
	Laddu	2600	2700	-100
	Rascut	2300	2250	+50
Maharashtra	Lal Variety	2400	2400	Unch
Bangalore	Achhu	2700	2700	Unch
	Mudde	3000	3000	Unch
Belgaum	Mudde	2300	2300	Unch
Belthangadi	Yellow (Average)	3100	3100	Unch
Bijapur	Achhu	2361	-	-
Gulbarga	Other (Average)	2306	-	-
Mahalingapura	Penti (Average)	2330	-	-
Mandya	Achhu (Medium)	2250	2200	+50
	Kurikatu (Medium)	2100	2100	Unch
	Other (Medium)	2100	2100	Unch
	Yellow (Medium)	2200	2225	-25
Shimoga	Achhu (Average)	-	3500	-

UP Private Mills Tender Rates				
Centre	Origin/Grade	26-12-2011	24-12-2011	Change
Dorala	M-30	3070	3035	+35
Mawana	M-30	3120	3120	Unch
Modinagar	M-30	3030	3025	+5
Malakpur	M-30	3005	3005	Unch
Simbholi	M-30	3130	3145	-15
Asamoli	M-30	3085	3120	-35
Dhanora	M-30	3100	3100	Unch
Dhampur	M-30	3000	3040	-40
Kinnoni	M-31	3140	3155	-15
Budhana	M-31	3045	3055	-10
Thanabhavan	M-31	3040	3055	-15

UP Government Mills Tender Rates				
Centre	Origin/Grade	26-12-2011	24-12-2011	Change
Morna	M-30	2850	2870	-20
Nanotha	M-30	2940	2960	-20
Nazibabad	M-30	2830	2860	-30
Ramlaxman	M-30	-	-	-
Sakoti	M-30	2800	2820	-20
Amroha	M-30	--	-	-
Chandpur	M-30	--	-	-

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	26-12-2011	24-12-2011	Change
Baghpat	M-30	2935	2960	-25
Gajraula	M-30	2900	2860	+40
BulandShahar	M-30	-	-	-
Anupshahar	M-30	2905	2860	+45

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