

Sugar & Gur Domestic & International Fundamentals:

- A steady to firm tone featured in key sugar cash markets on Wednesday.
- Reportedly some demand in the physical markets particularly in Delhi and Kolhapur supported the sentiment.
- The Government has declared total 17.00 lakh tonnes for the current month free sale quota compare to 17.01 lakh tonnes for November and 17.50 lakh tonnes for October-11. Previous two months were full of festivals demand. Market participants are expecting government will announce lower free-sale sugar quota for January, capped the losses.
- Exporters were reported inactive in the domestic market. The sugar prices in the global market have fallen to around \$603-608 per ton and mills are finding it difficult to export.
- Maharashtra government fears a decline in sugarcane acreage in 2012-13 sugar season. The state machinery expects that the farmers will be less inclined to keep the ratoon crop due to scarcity of ground water this year.
- Gur prices continue to feature a steady tone in the key cash markets.
- 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.

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	-20	2911	2911	2879	2885
Feb-12	-23	2932	2932	2905	2915
Mar-12	-29	2959	2962	2945	2945

Contract	Volume	Change	OI	Change
Jan-12	7,730	1810	37310	1040
Feb-12	3050	2060	16620	1290
Mar-12	290	190	1940	140

Spread	Jan-12	Feb-12	Mar-12
Spot	40	10	-20
Jan-11		30	60
Feb-12			30

Stocks	Demat 27-12-11	In-Process 27-12-11	Total 27-12-11	FED 26-12-11
Kolhapur M	1199	0	1199	1199
Kolhapur S	6380	0	6380	6380

NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
Jan-12	0.50	1065.00	1073.50	1065.00	1066.00
Mar-12	-1.00	1087.50	1093.00	1085.50	1086.50
Apr-12	-	-	-	-	-

Contract	Volume	Change	OI	Change
Jan-12	2,200	190	8500	-200
Mar-12	2,810	1200	7250	-70
Apr-12	-	-	-	-

Spread	Jan-12	Mar-12	Apr-12
Spot	-66	-86.5	-
Jan-12		20.5	-
Mar-12			-

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Mar-12	609.80	612.50	609.30	611.20	+2.40
May-12	600.70	602.40	600.00	601.60	+2.50
Aug-12	594.50	596.40	593.80	596.00	+2.50

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Mar-12	23.70	23.85	23.59	23.61	+0.02
May-12	23.16	23.33	23.07	23.14	+0.05
July-12	22.80	22.97	22.69	22.73	+0.03

Brazil Sugar Quotes (Kingsman)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	533.75	+2.75
Raw Sugar C&F (\$/MT)	Black Sea	569.75	+2.75
Sugar White FOB (\$/MT)	Santos Port	647.75	+2.75

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
		28-12-2011	27-12-2011	
Sugar	Delhi - Grade M	3140	3130	+10
	Delhi - Grade L	3020	-	-
	UP- Khatuali Grade M	3185	3150	+35
	UP- Ramala Grade M	3040	3050	-10
	Mumbai –Grade M	3066	-	-
	Mumbai –Grade S	2971	-	-
	Kolhapur – Grade M	2925	2900	+25
	Kolhapur – Grade S	2825	2800	+25
	Vijayawada – Grade M	3220	3220	Unch
	Vijayawada- Grade S	3120	3120	Unch
	Nagpur – Grade M	3150	3150	Unch
	Kolkata – Grade M	-	-	-
	Chennai - Grade S	2800	2800	Unch

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

Gur Spot Prices (Rs/Qtl)

Markets	Variety	28-12-2011	27-12-2011	Change
Muzaffar Nagar	Chaku (New Arrival)	2500	2575	-75
	Khurpa	2450	2450	Unch
	Laddu	2500	2600	-100
	Rascut	2300	2300	Unch
Maharashtra	Lal Variety	2400	2400	Unch
Bangalore	Achhu	2400	2400	Unch
	Mudde	2500	2500	Unch
Belgaum	Mudde	2400	-	-

Belthangadi	Yellow (Average)	3150	-	-
Bijapur	Achhu	-	2300	-
Gulbarga	Other (Average)	2358	-	-
Mahalingapura	Penti (Average)	-	2250	-
Mandya	Achhu (Medium)	-	2250	-
	Kurikatu (Medium)	-	2125	-
	Other (Medium)	-	2100	-
	Yellow (Medium)	-	2200	-
Shimoga	Achhu (Average)	-	2725	-

UP Private Mills Tender Rates				
Centre	Origin/Grade	28-12-2011	27-12-2011	Change
Dorala	M-30	3070	3070	Unch
Mawana	M-30	3120	3120	Unch
Modinagar	M-30	3030	3030	Unch
Malakpur	M-30	3005	3005	Unch
Simbholi	M-30	3130	3130	Unch
Asamoli	M-30	3085	3085	Unch
Dhanora	M-30	3100	3100	Unch
Dhampur	M-30	3000	3000	Unch
Kinnoni	M-31	3140	3140	Unch
Budhana	M-31	3045	3045	Unch
Thanabhavan	M-31	3040	3040	Unch
UP Government Mills Tender Rates				
Centre	Origin/Grade	28-12-2011	27-12-2011	Change
Morna	M-30	2850	2850	Unch
Nanotha	M-30	2940	2940	Unch
Nazibabad	M-30	2830	2830	Unch
Ramlaxman	M-30	-	-	-
Sakoti	M-30	2800	2800	Unch
Amroha	M-30	--	--	-
Chandpur	M-30	--	--	-
UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	28-12-2011	27-12-2011	Change
Baghpat	M-30	2935	2935	Unch
Gajraula	M-30	2900	2900	Unch
BulandShahar	M-30	-	-	-
Anupshahar	M-30	2905	2905	Unch

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