

Sugar & Gur Domestic & International Fundamentals:

- Steady to firm sentiment featured in key sugar cash markets on Friday due to Centre has announced a lower sale quota for January.
- The Central Government has decided to make available 17.16 lac tons of sugar (levy sugar 2.16 lac tons and non-levy sugar 15.00 lac tons) for the month of January, 2012. This quantity of 17.16 lac tons is sufficient to meet the internal demand of sugar for the month of January, 2012.
- Sugar production in Karnataka has hit an all-time high of 3.67 million tonnes during the sugar year, a growth of a whopping 49.3 per cent over the previous year. During the year 2009-10, mills in the state had produced 2.45 million tonnes.
- India has fixed the quota of sugar that mills will sell in the domestic market in January at 1.5 million metric tons, nearly 12% less than December's 1.70 million tons. Mills will supply 1.4 million tons of sugar from their normal production while another 100,000 tons will be the unsold stocks from December that will be available for sales until Jan. 15.
- 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	-16.00	2929.00	2930.00	2890.00	2896.00
Feb-12	-22.00	2947.00	2947.00	2908.00	2912.00
Mar-12	-23.00	2957.00	2957.00	2931.00	2932.00

Contract	Volume	Change	OI	Change
Jan-12	13,600	-670	41260	410
Feb-12	2,580	-560	17780	10
Mar-12	200	-760	2510	20

Spread	Jan-12	Feb-12	Mar-12
Spot	54	38	18
Jan-11		16	36
Feb-12			20

Stocks	Demat 29-12-11	In-Process 29-12-11	Total 29-12-11	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	-3.50	1066.00	1066.50	1058.00	1059.50
Mar-12	-2.00	1091.00	1095.50	1086.00	1086.50
Apr-12	-	-	-	-	-

Contract	Volume	Change	OI	Change
Jan-12	1,000	-660	8520	-10
Mar-12	2,250	-110	7510	230
Apr-12	-	-	-	-

Spread	Jan-12	Mar-12	Apr-12
Spot	0.5	-26.5	-
Jan-12		27	-
Mar-12			-

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Mar-12	599.00	605.40	596.20	604.60	+5.50
May-12	588.40	594.20	585.70	593.80	+5.70
Aug-12	582.10	588.70	581.50	588.50	+3.40

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Mar-12	23.13	23.60	22.85	23.51	+0.38
May-12	22.68	23.23	22.46	23.15	+0.41
July-12	22.40	22.89	22.16	22.80	+0.37

Brazil Sugar Quotes (Kingsman)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	523.00	+4.50
Raw Sugar C&F (\$/MT)	Black Sea	559.00	+4.50
Sugar White FOB (\$/MT)	Santos Port	637.00	+4.50

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
		30-12-2011	29-12-2011	
Sugar	Delhi - Grade M	3160	3140	+20
	Delhi - Grade L	3040	3020	+20
	UP- Khatuali Grade M (Old crop)	2915	3195	-280
	UP- Ramala Grade M	3045	3045	Unch
	Mumbai –Grade M	3106	3066	+40
	Mumbai –Grade S	2971	2971	Unch
	Kolhapur – Grade M	2950	2900	+50
	Kolhapur – Grade S	2850	2800	+50
	Vijayawada – Grade M	3220	3220	Unch
	Vijayawada- Grade S	3120	3120	Unch
	Nagpur – Grade M	3150	3150	Unch
	Kolkata – Grade M	3170	3090	+80
	Chennai - Grade S	2900	2800	+100

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

Gur Spot Prices (Rs/Qtl)				
Markets	Variety	30-12-2011	29-12-2011	Change
Muzaffar Nagar	Chaku (New Arrival)	2650	2500	+150
	Khurpa	2425	2450	-25
	Laddu	2475	2575	-100
	Rascut	2300	2300	Unch
Maharashtra	Lal Variety	2400	2400	Unch
Bangalore	Achhu	2400	2400	Unch
	Mudde	2500	2500	Unch
Belgaum	Mudde	-	-	-
Belthangadi	Yellow (Average)	3100	3100	Unch
Bijapur	Achhu	2320	2438	-118
Gulbarga	Other (Average)	2352	2358	-6
Mahalingapura	Penti (Average)	2350	2250	+100
Mandya	Achhu (Medium)	-	2250	-
	Kurikatu (Medium)	-	2100	-
	Other (Medium)	-	2100	Unch
	Yellow (Medium)	-	2200	Unch
Shimoga	Achhu (Average)	-	2675	-

UP Private Mills Tender Rates				
Centre	Origin/Grade	30-12-2011	29-12-2011	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	30-12-2011	29-12-2011	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	30-12-2011	29-12-2011	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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