

Sugar & Gur Domestic & International Fundamentals:

- Weak sentiment featured in key sugar cash markets on Monday.
- Sugar output from Maharashtra state was 18.8 per cent higher on year in the first three months of 2011/12 crushing season that started on Oct. 1. The increase in production is because of higher sugar recovery rate and an increase in the number of mills that are operational this year. Millers in the state produced 2.75 million tonnes of sugar by Dec. 31 after crushing 26.57 million tonnes cane.
- The Central Government has decided to make available 17.16 lakh tons of sugar (levy sugar 2.16 lakh tons and non-levy sugar 15.00 lakh tons) for the month of January, 2012. This quantity of 17.16 lakh tons is sufficient to meet the internal demand of sugar for the month of January, 2012.
- 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.
- As per trade information, 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	0.00	2875.00	2885.00	2875.00	2881.00
Feb-12	3.00	2898.00	2904.00	2897.00	2901.00
Mar-12	6.00	2926.00	2936.00	2926.00	2936.00

Contract	Volume	Change	OI	Change
Jan-12	2,360	-4710	41150	-570
Feb-12	890	-1020	18320	230
Mar-12	50	-290	2640	0

Spread	Jan-12	Feb-12	Mar-12
Spot	44	24	-11
Jan-11		20	55
Feb-12			35

Stocks	Demat 31-12-11	In-Process 31-12-11	Total 31-12-11	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	5.00	1066.00	1079.00	1065.50	1069.00
Mar-12	-1.00	1095.00	1097.50	1089.50	1090.00
Apr-12	-	-	-	-	-

Contract	Volume	Change	OI	Change
Jan-12	3,580	1540	8800	270
Mar-12	2,170	550	7900	320
Apr-12	-	-	-	-

Spread	Jan-12	Mar-12	Apr-12
Spot	-59	-80	-
Jan-12		21	-
Mar-12			-

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Mar-12	601.70	605.00	600.90	602.00	-2.60
May-12	592.00	594.60	590.80	591.60	-2.20
Aug-12	587.80	588.10	583.80	584.60	-3.90

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Mar-12	23.40	23.40	23.00	23.30	-0.21
May-12	23.06	23.06	22.64	22.95	-0.20
July-12	22.65	22.65	22.27	22.56	-0.24

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
		02-1-2012	31-12-2011	
Sugar	Delhi - Grade M	3130	3150	-20
	Delhi - Grade S	3050	3050	Unch
	Delhi - Grade L	3015	3030	-15
	UP- Khatuali Grade M	-	3100	-
	UP- Ramala Grade M	2930	2955	-25
	Mumbai –Grade M	3071	3081	-10
	Mumbai –Grade S	2961	2971	-10
	Kolhapur – Grade M	2925	2925	Unch
	Kolhapur – Grade S	2825	2825	Unch
	Vijayawada – Grade M	3250	3260	-10
	Vijayawada- Grade S	3150	3150	Unch
	Nagpur – Grade M	3150	3180	-30
	Kolkata – Grade M	3150	3170	-20
	Chennai - Grade S	2925	2900	+25

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

Gur Spot Prices (Rs/Qtl)				
Markets	Variety	02-1-2012	31-12-2011	Change
Muzaffar Nagar	Chaku (New Arrival)	2525	2525	Unch
	Khurpa	2300	2500	-200
	Laddu	2650	2575	+75
	Rascut	2250	2250	Unch
Maharashtra	Lal Variety	2400	2400	Unch
Bangalore	Achhu	-	2400	-
	Mudde	-	2500	-
Belgaum	Mudde	-	2300	-
Belthangadi	Yellow (Average)	-	3100	-
Bijapur	Achhu	-	2320	-
Gulbarga	Other (Average)	-	2352	-
Mahalingapura	Penti (Average)	-	-	-
Mandya	Achhu (Medium)	-	2250	-
	Kurikatu (Medium)	-	2100	-
	Other (Medium)	-	2100	-
	Yellow (Medium)	-	2200	-
Shimoga	Achhu (Average)	-	2450	-

UP Private Mills Tender Rates				
Centre	Origin/Grade	02-1-2012	31-12-2011	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	02-1-2012	31-12-2011	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	02-1-2012	31-12-2011	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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