

## Sugar & Gur Domestic & International Fundamentals:

- Mixed sentiments witnessed in key spot sugar markets on Thursday as markets could not find adequate cues to decide the prices either side.
- Sugar prices are hovering in a trading range as market is waiting for any decision on additional sugar exports or sugar decontrol which will give a boost to the sugar prices. In addition to this, millers don't want to sell sugar at lower quotes in anticipation of additional sugar exports allowance by government.
- It is noticeable that Food ministry is taking permission from Election Commission for allowing additional sugar exports. There are elections in states like UP, Punjab and Uttarakhand which is one of the biggest sugar producing states in India and Election commission might consider sugar exports allowance as an political stunt in between the election code of conduct.
- Gur prices have surged in Muzaffar nagar spot mandi on Thursday due to lesser arrivals and good demand.
- Around 293,000 bags (40 kg each) has been stored in Muzaffar nagar cold storage till 1<sup>st</sup> January 2012 which is 118,000 bags lesser compared to last year same period stock position of gur. Out of total stock position of gur, around 158,000 bags have stored in cold storage which are also 100,000 bags less compared to previous year. 59000 bags are stored of Raskut Variety Gur and rest is for Laddu and Khurpa and other gur varieties.
- It is noticeable that lesser diversion of cane in UP, especially in Western UP is becoming the major factor for lesser gur production this year. Increase in SAP of cane urges the farmers to sell its crop to millers directly rather than kolhus. Only those farmers are selling cane to kolhus which can't afford to pay higher transportation cost to transport cane to mills.

## Outlook:

Sugar prices again tumbling down as millers are releasing their sugar stock in the open markets at higher quotes. Meanwhile, market is keeping an eye over EGOM meeting in which they will decide on additional sugar exports which will further give any direction to the prices of sugar.

### NCDEX Sugar Futures

Contract	+/-	Open	High	Low	Close
Jan-12	21	2810	2847	2810	2830
Feb-12	1	2853	2873	2851	2858
Mar-12	-7	2880	2895	2870	2876

Contract	Volume	Change	OI	Change
Jan-12	5190	-190	16980	-1990
Feb-12	5300	1030	21400	1060
Mar-12	2090	510	14430	1180

Spread	Jan-12	Feb-12	Mar-12
Basis	70	42	24
Jan-11		28	46
Feb-12			18

Stocks	Demat 18-01-12	In-Process 18-01-12	Total 18-01-12	FED 16-01-12
Kolhapur M	1610	0	1610	1610
Kolhapur S	7805	0	7805	7805

### NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
Jan-12	2	1053	1067.5	1052	1060
Mar-12	2	1069.5	1078	1061	1067
July-12	9.5	1198	1200	1172	1180

Contract	Volume	Change	OI	Change
Jan-12	1280	850	370	-1090
Mar-12	5250	2650	5380	780
July-12	1780	730	2180	430

Spread	Jan-12	Mar-12	July-12
Basis	40	33	-80
Jan-12		7	120
Mar-12			113

### LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Mar-12	628.9	632	626.1	630.6	1.9
May-12	611.8	615	608.2	613.5	2.9
Aug-12	602.8	605.3	598.6	603.8	2.2

### ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Mar-12	24	24.17	23.85	24	0.14
May-12	23.43	23.58	23.28	23.46	0.13
July-12	23.01	23.16	22.88	23.03	0.06

## Brazil Sugar Quotes (Kingsman)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	538.25	-9.50
Raw Sugar C&F (\$/MT)	Black Sea	574.25	-9.50
Sugar White FOB (\$/MT)	Santos Port	646.75	-9.25

## Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Mar'12/Mar'12	99.25	-
May'12/May'12	93.75	-
Aug'12/Jul'12	93	-

## Brazil Sugar/ Ethanol Prices (In Cents/lb)

Commodity	Price	Change
Brazil Domestic Sugar	26.57	-
Brazil Anhydrous	22.61	-
Brazil Hydrous	22.16	-

## Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		19-1-2012	18-1-2012	
Sugar	Delhi - Grade M	3100	3070	+30
	Delhi - Grade S	2990	2980	+10
	Delhi - Grade L	2915	2920	-5
	UP- Khatuali Grade M	3040	3045	-5
	UP- Ramala Grade M	2985	2950	+35
	Mumbai –Grade M	3061	3082	-21
	Mumbai –Grade S	2911	2911	Unch
	Kolhapur – Grade M	2900	2900	Unch
	Kolhapur – Grade S	2775	2800	-25
	Vijayawada – Grade M	3250	3250	Unch
	Vijayawada- Grade S	3130	3130	Unch
	Nagpur – Grade M	3150	3150	Unch
	Kolkata – Grade M	3090	-	-
	Chennai - Grade S	2825	2850	-25

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

Gur Spot Prices (Rs/Qtl)				
Markets	Variety	19-1-2012	18-1-2012	Change
Muzaffar Nagar	Chaku (New Arrival)	2750	2650	+100
	Khurpa	2500	2450	+50
	Laddu	2700	2600	+100
	Rascut	2300	2300	Unch
Maharashtra	Lal Variety	2450	2450	Unch
Bangalore	Achhu	2400	-	-
	Mudde	2600	2600	Unch
Belgaum	Mudde	2400	2400	Unch
Belthangadi	Yellow (Average)	-	3150	-
Bijapur	Achhu	2330	-	-
Gulbarga	Other (Average)	2201	2275	-74
Mahalingapura	Penti (Average)	2280	2270	+10
Mandya	Achhu (Medium)	2275	2200	+75
	Kurikatu (Medium)	2150	2100	+50
	Other (Medium)	2150	2150	Unch
	Yellow (Medium)	2250	2200	+50
Shimoga	Achhu (Average)	-	2200	-

UP Private Mills Tender Rates				
Centre	Origin/Grade	19-1-2012	18-1-2012	Change
Dorala	M-30	2970	2970	Unch
Mawana	M-30	3000	3000	Unch
Modinagar	M-30	2960	2960	Unch
Malakpur	M-30	2935	2935	Unch
Simbholi	M-30	3040	3040	Unch
Asamoli	M-30	2990	2990	Unch
Dhanora	M-30	-	-	-
Dhampur	M-30	2920	2920	Unch
Kinnoni	M-31	3050	3050	Unch
Budhana	M-31	2970	2970	Unch
Thanabhavan	M-31	2970	2970	Unch

UP Government Mills Tender Rates				
Centre	Origin/Grade	19-1-2012	18-1-2012	Change
Morna	M-30	2880	2880	Unch
Nanotha	M-30	2870	2870	Unch
Nazibabad	M-30	2880	2880	Unch
Ramlaxman	M-30	-	-	-
Sakoti	M-30	2900	2900	Unch
Amroha	M-30	2890	2890	Unch
Chandpur	M-30	2890	2890	Unch

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	19-1-2012	18-1-2012	Change
Baghpat	M-30	2890	2890	Unch
Gajraula	M-30	2870	2870	Unch
BulandShahar	M-30	2900	2900	Unch
Anupshahar	M-30	2890	2890	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	18-01-2012
BHAVANI NAGAR	S.JB	2788.00 OPEN
MALINAGAR	S.PP	2738
GHODGANGA	S/30	2780.00 OPEN
BHENDA	S1.PP	2776.00 OPEN
MULA	S1.PP	2800
	M.JK	2910
SHREEPUR	S1.PP	2785.00 OPEN
SADASHIV	S.JB	2760.00-2763.00
	M.JB	2835.00-2840.00
SANGAMNER	S1.JB	2870
	M.JB	2930
DATTWADI	S.PP	2803.00 OPEN
	M.PP	2903.00 OPEN
WARANA	S1.PP	2803.00 OPEN
	M.PP	2903

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