

Sugar & Gur Domestic & International Fundamentals:

- Dull demand, lackluster trade and consistent arrivals of sugar led the sugar prices downwards in today trading session.
- Brazil might produce 540-560 million tonnes of cane in 2012-13, according to Job Economia. Brazil crushed 492 million tonnes of cane in the almost finished 2011-12 harvest.
- Government of India is likely to consider additional sugar exports under OGL in a meeting which is due on 7th February 2012, according to news sources. Government may decide to allow 1 million tonnes sugar exports which will take the sugar export figure to 2 million tonnes in Marketing year 2011-12.
- Steady to firm sentiments recorded in Muzaffar nagar spot mandi on Monday. Recent stock position of gur stored in cold storage weigh on to the gur prices.
- Around 309,621 bags (40 kg each) has been stored in Muzaffar nagar cold storage till 23rd January 2012 which are 152,379 bags lesser compared to last year same period stock position of gur. Out of total stock position of gur, around 172,000 bags have stored in cold storage which are also 133,000 bags less compared to previous year. 82000 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
Feb-12	5	2845	2855	2833	2844
Mar-12	10	2867	2874	2850	2871
Apr-12	1	2903	2905	2890	2905

Contract	Volume	Change	OI	Change
Feb-12	5540	1580	24110	1080
Mar-12	3340	1420	16810	1010
Apr-12	990	340	2640	360

Spread	Feb-12	Mar-12	Apr-12
Basis	31		
Jan-11		27	61
Feb-12			34

Stocks	Demat	In-Process	Total	FED
	21-01-12	21-01-12	21-01-12	16-01-12
Kolhapur M	1610	0	1610	1610
Kolhapur S	7805	0	7805	7805

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Mar-12					
May-12					
Aug-12					

NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
Mar-12	27	1076	1109	1072	1100.5
July-12	37	1188	1229.5	1176.5	1223
Sept-12	19	1243	1243	1235	1238

Contract	Volume	Change	OI	Change
Mar-12	19770	16710	7120	1500
July-12	7260	6560	2760	390
Sept-12	40	10	60	0

Spread	Mar-12	July-12	Sept-12
Basis	-40.5		
Jan-12		122.5	137.5
Mar-12			15

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Mar-12					
May-12					
July-12					

Brazil Sugar Quotes (Kingsman)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	559.75	+0.25
Raw Sugar C&F (\$/MT)	Black Sea	595.75	+0.25
Sugar White FOB (\$/MT)	Santos Port	671.50	+0.25

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
		23-1-2012	21-1-2012	
Sugar	Delhi - Grade M	3070	3150	-80
	Delhi - Grade S	2970	3050	-80
	Delhi - Grade L	2905	2925	-20
	UP- Khatuali Grade M	3035	3030	+5
	UP- Ramala Grade M	2985	2960	+25
	Mumbai –Grade M	3051	3061	-10
	Mumbai –Grade S	2906	2906	Unch
	Kolhapur – Grade M	2875	2875	Unch
	Kolhapur – Grade S	2775	2775	Unch
	Vijayawada – Grade M	3220	3220	Unch
	Vijayawada- Grade S	3120	3120	Unch
	Nagpur – Grade M	3100	3100	Unch
	Kolkata – Grade M	-	-	-
	Chennai - Grade S	2775	2800	-25

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

Gur Spot Prices (Rs/Qtl)				
Markets	Variety	23-1-2012	21-1-2012	Change
Muzaffar Nagar	Chaku (New Arrival)	2650	2650	Unch
	Khurpa	2500	2400	+100
	Laddu	2625	2500	+125
	Rascut	2300	2300	Unch
Maharashtra	Lal Variety	2550	2500	+50
Bangalore	Achhu	2400	2400	Unch
	Mudde	2600	2600	Unch
Belgaum	Mudde	2300	2300	Unch
Belthangadi	Yellow (Average)	3100	3150	-50
Bijapur	Achhu	2300	2265	+35
Gulbarga	Other (Average)	-	2325	-
Mahalingapura	Penti (Average)	-	-	-
Mandya	Achhu (Medium)	2300	2300	Unch
	Kurikatu (Medium)	2150	2100	+50
	Other (Medium)	2200	2150	+50
	Yellow (Medium)	2350	2250	+100
Shimoga	Achhu (Average)	-	2300	-

UP Private Mills Tender Rates				
Centre	Origin/Grade	23-1-2012	21-1-2012	Change
Dorala	M-30	2940	2970	-30
Mawana	M-30	2960	3000	-40
Modinagar	M-30	2920	2960	-40
Malakpur	M-30	2900	2935	-35
Simbholi	M-30	3000	3040	-40
Asamoli	M-30	2945	2990	-45
Dhanora	M-30	-	-	-
Dhampur	M-30	2890	2920	-30
Kinnoni	M-31	3020	3050	-30
Budhana	M-31	2930	2970	-40
Thanabhavan	M-31	2930	2970	-40

UP Government Mills Tender Rates				
Centre	Origin/Grade	23-1-2012	21-1-2012	Change
Morna	M-30	2810	2880	-70
Nanotha	M-30	2770	2870	-100
Nazibabad	M-30	2850	2880	-30
Ramlaxman	M-30	-	-	-
Sakoti	M-30	2860	2900	-40
Amroha	M-30	2860	2890	-30
Chandpur	M-30	2860	2890	-30

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	23-1-2012	21-1-2012	Change
Baghpat	M-30	2810	2890	-80
Gajraula	M-30	2850	2870	-20
BulandShahar	M-30	2860	2900	-40
Anupshahar	M-30	2860	2890	-30

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php>

© 2005 Indian Agribusiness Systems Pvt Ltd.