



### Sugar & Gur Domestic & International Fundamentals:

- Sugar prices continued its bear run in various sugar spot markets on Wednesday. Lackluster trade and consistent supply in the market kept the prices downwards.
- UP mills have crushed 384.41 lac tonnes sugarcane and produce 35 lac tonnes sugar with an average recovery of 8.58% till 23rd Jan 2011. Recent sugar production data for this year is 28% higher compared to 2010-11 sugar produce by sugar mills at same period. However, recovery is becoming a major concern for UP millers as overall 4% decline in recovery of sugar from cane has recorded.
- Karnataka mills have crushed 162.07 lac tonnes of sugarcane and produce 17.25 lac tonnes sugar with an average recovery of 10.61% upto 15th January 2012. This year sugar production till 15th Jan is 22.3% higher compared to previous year same period. Last year mills have produced 14.1 lac tonnes sugar with an average recovery of 10.19%, according to Sugar commissionerate, Karnataka.
- Weak sentiments recorded in Muzaffar nagar spot mandi on Wednesday. Higher prices of gur urge gur makers to bring the stock at mandi which pressurize the prices of gur today.
- Around 309,621 bags (40 kg each) has been stored in Muzaffar nagar cold storage till 23<sup>rd</sup> 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	11	2837	2848	2830	2844
Mar-12	12	2857	2869	2848	2863
Apr-12	8	2895	2905	2886	2893

Contract	Volume	Change	OI	Change
Feb-12	4660	-730	25130	-150
Mar-12	4340	1330	18910	1080
Apr-12	830	320	3210	340

Spread	Feb-12	Mar-12	Apr-12
Basis	6		
Jan-11		19	49
Feb-12			30

Stocks	Demat 24-01-12	In-Process 24-01-12	Total 24-01-12	FED 23-01-12
Kolhapur M	1610	0	1610	1610
Kolhapur S	7805	0	7805	7805

#### NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
Mar-12	4.5	1086.5	1095	1076	1088
July-12	18.5	1216.5	1248	1209	1238.5
Sept-12	12	1266	1266	1231.5	1247

Contract	Volume	Change	OI	Change
Mar-12	11940	-4100	8640	960
July-12	7600	2270	4650	1050
Sept-12	340	260	70	20

Spread	Mar-12	July-12	Sept-12
Basis	-28		
Jan-12		150.5	159
Mar-12			8.5

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

Contract	Open	High	Low	Close	+/-
Mar-12	652.5	658.3	651.8	657.7	6.5
May-12	631.9	637	631.5	636.7	5.9
Aug-12	618.7	622.7	618.7	622	4.3

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

Contract	Open	High	Low	Close	+/-
Mar-12	24.87	25.21	24.74	24.89	-0.07
May-12	24.29	24.5	24.14	24.27	-0.04
July-12	23.68	23.83	23.54	23.67	-0.02

## Brazil Sugar Quotes (Kingsman)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	564.75	-
Raw Sugar C&F (\$/MT)	Black Sea	601.75	-
Sugar White FOB (\$/MT)	Santos Port	676.50	-

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

Contract	Close	+/-
Mar'12/Mar'12	103.5	1.5
May'12/May'12	98	2
Aug'12/Jul'12	97.5	0.75

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

Commodity	Price	Change
Brazil Domestic Sugar	26.9	0.16
Brazil Anhydrous	21.71	0.11
Brazil Hydrous	21.43	0.11

## Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		25-1-2012	24-1-2012	
Sugar	Delhi - Grade M	3050	3060	-10
	Delhi - Grade S	2970	2970	Unch
	Delhi - Grade L	3090	3095	-5
	UP- Khatuali Grade M	3025	3000	+25
	UP- Ramala Grade M	2940	2980	-40
	Mumbai –Grade M	3051	3056	-5
	Mumbai –Grade S	2901	2901	Unch
	Kolhapur – Grade M	2850	2850	Unch
	Kolhapur – Grade S	2750	2750	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	2750	2750	Unch

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

Gur Spot Prices (Rs/Qtl)				
Markets	Variety	25-1-2012	24-1-2012	Change
Muzaffar Nagar	Chaku (New Arrival)	2650	2750	-100
	Khurpa	2550	2500	+50
	Laddu	2600	2650	-50
	Rascut	2300	2300	Unch
Maharashtra	Lal Variety	2550	2550	Unch
Bangalore	Achhu	2400	-	-
	Mudde	2680	2680	Unch
Belgaum	Mudde	2300	-	-
Belthangadi	Yellow (Average)	3100	3100	Unch
Bijapur	Achhu	-	2329	-
Gulbarga	Other (Average)	2275	-	-
Mahalingapura	Penti (Average)	2320	2280	+40
Mandya	Achhu (Medium)	2300	2300	Unch
	Kurikatu (Medium)	2150	2100	+50
	Other (Medium)	2200	2200	Unch
	Yellow (Medium)	2350	2350	Unch
Shimoga	Achhu (Average)	2325	2325	Unch

UP Private Mills Tender Rates				
Centre	Origin/Grade	25-1-2012	24-1-2012	Change
Dorala	M-30	2900	2940	-40
Mawana	M-30	2950	2960	-10
Modinagar	M-30	2910	2920	-10
Malakpur	M-30	2885	2900	-15
Simbholi	M-30	2990	3000	-10
Asamoli	M-30	2940	2945	-5
Dhanora	M-30	-	-	-
Dhampur	M-30	2875	2890	-15
Kinnoni	M-31	3015	3020	-5
Budhana	M-31	2925	2930	-5
Thanabhavan	M-31	2925	2930	-5

UP Government Mills Tender Rates				
Centre	Origin/Grade	25-1-2012	24-1-2012	Change
Morna	M-30	2850	2810	+40
Nanotha	M-30	2835	2770	+65
Nazibabad	M-30	2830	2850	-20
Ramlaxman	M-30	-	-	-
Sakoti	M-30	2850	2860	-10
Amroha	M-30	2845	2860	-15
Chandpur	M-30	2845	2860	-15

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	25-1-2012	24-1-2012	Change
Baghpat	M-30	2850	2810	+40
Gajraula	M-30	2830	2850	-20
BulandShahar	M-30	2850	2860	-10
Anupshahar	M-30	2840	2860	-20

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	24-01-2012
SARVODAY	S.JB	2773
	M.JB	2888
WATEGAON	S.PP	2768
WALVA	S.PP	2728
SONHIRA	S.PP	2788
	M.JK	2898.00 OPEN

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