

## Sugar & Gur Domestic & International Fundamentals:

- Mixed sentiments recorded in various sugar spot markets on Friday as markets could not find adequate cues to decide the prices either side.
- Retail demand has been witnessed today in Chennai market due to lesser sugar stock in the pipeline as reported.
- Prices might get some support from present level in the coming days in anticipation of lower sugar quota for Feb as well as additional sugar exports expectations.
- ISMA sees 4.8% increase in cane area for 2011-12 after conducted first satellite mapping of sugarcane area jointly by ISMA and NFCSE. ISMA sees sugarcane area has increased to 5.182 million hectares in 2011-12 which is higher than cane area estimate by ministry of Agriculture ~5.093 million hectares and Sugar Ministry ~5.079.
- Gur prices have increased in Muzaffar nagar mandi on Friday. Improved demand and lesser stock position of gur in Muzaffar nagar mandi support the prices 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	21	2842	2864	2842	2862
Mar-12	25	2863	2891	2862	2889
Apr-12	36	2900	2926	2895	2926

Contract	Volume	Change	OI	Change
Feb-12	5960	1300	25740	610
Mar-12	6330	1990	19670	760
Apr-12	1100	270	3830	620

Spread	Feb-12	Mar-12	Apr-12
Basis	18	-9	-46
Jan-11		27	64
Feb-12			37

Stocks	Demat	In-Process	Total	FED
	25-01-12	25-01-12	25-01-12	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	6.5	1092	1094.5	1084.5	1094
July-12	13.5	1230	1250	1230	1250
Sept-12	14.5	1260	1277	1251.5	1262

Contract	Volume	Change	OI	Change
Mar-12	4910	-7030	8610	-30
July-12	4270	-3330	5370	720
Sept-12	110	-230	100	30

Spread	Mar-12	July-12	Sept-12
Basis	46	-110	-122
Jan-12		156	168
Mar-12			12

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

Contract	Open	High	Low	Close	+/-
Mar-12	650	656.5	646.6	648.4	2.9
May-12	628.9	634.5	626	627.1	3
Aug-12	615.9	619.7	613.3	614.6	4.7

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

Contract	Open	High	Low	Close	+/-
Mar-12	24.58	24.97	24.51	24.73	0.22
May-12	24.15	24.35	23.96	24.17	0.18
July-12	23.53	23.76	23.46	23.68	0.15

## Brazil Sugar Quotes (Kingsman)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	559.25	+0.25
Raw Sugar C&F (\$/MT)	Black Sea	596.25	+0.25
Sugar White FOB (\$/MT)	Santos Port	671.00	+0.25

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

Contract	Close	+/-
Mar'12/Mar'12	107	3.5
May'12/May'12	98.25	0.25
Aug'12/Jul'12	96	-1.5

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

Commodity	Price	Change
Brazil Domestic Sugar	26.77	-0.13
Brazil Anhydrous	21.58	-0.13
Brazil Hydrous	21.3	-0.13

## Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		27-1-2012	25-1-2012	
Sugar	Delhi - Grade M	3035	3050	-15
	Delhi - Grade S	2940	2970	-30
	Delhi - Grade L	2975	2995	-20
	UP- Khatuali Grade M	2990	3025	-35
	UP- Ramala Grade M	2930	2940	-10
	Mumbai –Grade M	3046	3051	-5
	Mumbai –Grade S	2911	2901	+10
	Kolhapur – Grade M	2880	2850	+30
	Kolhapur – Grade S	2780	2750	+30
	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	2750	+25

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

Gur Spot Prices (Rs/Qtl)				
Markets	Variety	27-1-2012	25-1-2012	Change
Muzaffar Nagar	Chaku (New Arrival)	2850	2650	+200
	Khurpa	2500	2550	-50
	Laddu	2600	2600	Unch
	Rascut	2300	2300	Unch
Maharashtra	Lal Variety	2525	2550	-25
Bangalore	Achhu	2400	2400	Unch
	Mudde	2680	2680	Unch
Belgaum	Mudde	2300	2300	Unch
Belthangadi	Yellow (Average)	3100	3100	Unch
Bijapur	Achhu	2463	-	-
Gulbarga	Other (Average)	2325	2275	+50
Mahalingapura	Penti (Average)	2380	2320	+60
Mandya	Achhu (Medium)	2300	2300	Unch
	Kurikatu (Medium)	2100	2150	-50
	Other (Medium)	2150	2200	-50
	Yellow (Medium)	2250	2350	-100
Shimoga	Achhu (Average)	2325	2325	Unch

UP Private Mills Tender Rates				
Centre	Origin/Grade	27-1-2012	25-1-2012	Change
Dorala	M-30	2900	2900	Unch
Mawana	M-30	2950	2950	Unch
Modinagar	M-30	2910	2910	Unch
Malakpur	M-30	2885	2885	Unch
Simbholi	M-30	2990	2990	Unch
Asamoli	M-30	2940	2940	Unch
Dhanora	M-30	-	-	-
Dhampur	M-30	2875	2875	Unch
Kinnoni	M-31	3015	3015	Unch
Budhana	M-31	2925	2925	Unch
Thanabhavan	M-31	2925	2925	Unch

UP Government Mills Tender Rates				
Centre	Origin/Grade	27-1-2012	25-1-2012	Change
Morna	M-30	2850	2850	Unch
Nanotha	M-30	2835	2835	Unch
Nazibabad	M-30	2830	2830	Unch
Ramlaxman	M-30	-	-	-
Sakoti	M-30	2850	2850	Unch
Amroha	M-30	2845	2845	Unch
Chandpur	M-30	2845	2845	Unch

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	27-1-2012	25-1-2012	Change
Baghpat	M-30	2850	2850	Unch
Gajraula	M-30	2830	2830	Unch
BulandShahar	M-30	2850	2850	Unch
Anupshahar	M-30	2840	2840	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	26-01-2012
PANDHARPUR VITTHAL	S1.PP	2758
	M.PP	2818

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