

## Sugar & Gur Domestic & International Fundamentals:

- Sugar prices have surged in various sugar spot markets on Saturday in expectation of lesser sugar quota for February and improved retail demand of sugar in the market.
- Government might release 16-16.25 lac tonnes of Non-levy sugar quota for February month, according to an estimate by Agriwatch. Expected Non-Levy sugar quota for February is almost same as compare to previous year Non-levy sugar quota released by government for February. If government release sugar quota within expected range then prices will get some support from prevailing prices. It is noticeable that government might release sugar quota for February on 30<sup>th</sup> January 2012.
- ISMA sees 4.8% increase in cane area for 2011-12 after conducted first satellite mapping of sugarcane area jointly by ISMA and NFCSF. 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 has moved down sharply in Muzaffar nagar spot mandi on Saturday. Higher arrivals and lesser demand of gur kept the prices of gur under pressure today. Arrivals are around 10000 bags in the market today.
- Around 309,621 bags (40 kq 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 are showing some upward correction keeping in view sugar quota for February. 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	2870	2870	2843	2854
Mar-12	-1	2897	2900	2875	2886
Apr-12	6	2911	2932	2908	2923

Contract	Volume	Change	OI	Change
Feb-12	7590	1630	25890	150
Mar-12	4430	-1900	20220	550
Apr-12	1170	70	4510	680

Spread	Feb-12	Mar-12	Apr-12
Basis	21		
Jan-11		32	69
Feb-12			37

Stocks	Demat	In-Process	Total	FED
	27-01-12	27-01-12	27-01-12	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	15.5	1092	1122.5	1088	1108
July-12	32.5	1244	1291	1244	1280.5
Sept-12	41	1278	1304.5	1276.5	1302

Contract	Volume	Change	OI	Change
Mar-12	14910	10000	7550	-1060
July-12	7780	3510	7490	2120
Sept-12	260	150	230	130

Spread	Mar-12	July-12	Sept-12
Basis	-28		
Jan-12		172.5	194
Mar-12			21.5

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

Contract	Open	High	Low	Close	+/-
Mar-12	652.9	653.3	636.6	637.7	-10.7
May-12	632.1	632.7	618.5	620.5	-6.6
Aug-12	619.2	619.2	606.5	608	-6.6

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

Contract	Open	High	Low	Close	+/-
Mar-12	24.7	24.83	24.15	24.21	-0.52
May-12	24.07	24.28	23.61	23.67	-0.5
July-12	23.65	23.75	23.13	23.2	-0.48

## Brazil Sugar Quotes (Kingsman)

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

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

Contract	Close	+/-
Mar'12/Mar'12	104	-3
May'12/May'12	98.25	0
Aug'12/Jul'12	96.25	0.25

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

Commodity	Price	Change
Brazil Domestic Sugar	27.22	0.45
Brazil Anhydrous	21.88	0.3
Brazil Hydrous	21.6	0.3

## Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		28-1-2012	27-1-2012	
Sugar	Delhi - Grade M	3040	3035	+5
	Delhi - Grade S	2985	2940	+45
	Delhi - Grade L	3070	3065	+5
	UP- Khatuali Grade M	3005	2990	+15
	UP- Ramala Grade M	2930	2930	Unch
	Mumbai –Grade M	3061	3046	+25
	Mumbai –Grade S	2926	2911	+15
	Kolhapur – Grade M	2875	2880	-5
	Kolhapur – Grade S	2775	2780	-5
	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	2775	Unch

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

Gur Spot Prices (Rs/Qtl)				
Markets	Variety	28-1-2012	27-1-2012	Change
Muzaffar Nagar	Chaku (New Arrival)	2700	2850	-150
	Khurpa	2450	2500	-50
	Laddu	2625	2600	+25
	Rascut	2325	2300	+25
Maharashtra	Lal Variety	2525	2525	Unch
Bangalore	Achhu	2400	2400	Unch
	Mudde	2680	2680	Unch
Belgaum	Mudde	2400	2300	+100
Belthangadi	Yellow (Average)	-	3100	-
Bijapur	Achhu	2400	2463	-63
Gulbarga	Other (Average)	2355	2325	+30
Mahalingapura	Penti (Average)	-	2380	-
Mandya	Achhu (Medium)	-	2300	-
	Kurikatu (Medium)	-	2100	-
	Other (Medium)	-	2150	-
	Yellow (Medium)	-	2250	-
Shimoga	Achhu (Average)	-	2325	-

UP Private Mills Tender Rates				
Centre	Origin/Grade	28-1-2012	27-1-2012	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	28-1-2012	27-1-2012	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	28-1-2012	27-1-2012	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	27-01-2012
JAWAHAR	NEW S2.PP	2760.00 OPEN
	M1.PP	2903.00 OPEN
DATT SHIROL	NEW S.PP	2803.00 OPEN
	M.PP	2903.00 OPEN
ASURLE PORLE	NEW S1.PP	2803.00 OPEN
BIDRI	NEW S1.PP	2783.00 OPEN
	NEW M.PP	2873.00 OPEN
SAHYADRI	S1.PP-S2.PP	2730.00-2750.00
	M.JK	2875
SONHIRA	S.PP	2808
	M.PP	2915
RAYAT	S.JB	2870
	M.JB	2950.00 OPEN
KAGAL	S.PP-JK	2810.00-2820.00
LOKNETE	S.PP	2728
	M.PP	2818
GHODGANGA	S.PP	2763
SHREEPUR	S1.PP	2758

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