

Sugar & Gur Domestic & International Fundamentals:

- Steady to weak sentiments recorded in key sugar markets on Monday due to supply pressure of sugar by millers at higher quotes.
- Mills cannot take the benefit of additional sugar exports at present for short term due to recent rupee appreciation which unable the exporters to find sugar export parity on prevailing sugar prices.
- Indian CIF prices to Indonesia ~670-737 are not looking competitive compared to Brazil and Thailand CIF prices to Indonesia especially from Maharashtra and UP. However, Export parity can be seen from Chennai market due to lesser transportation and labor charges compared to other domestic sourcing centers.
- Steady to weak sentiment witnessed in Muzaffarnagar Gur makets today. Meanwhile, for the long term prospective, gur prices will remain in bullish state due to lesser stock position in the cold storage compared to last year in Muzaffar nagar.
- Gur makers are getting fresh plant cane for making gur. In addition to it, higher gur prices urge the gur makers to supply gur in the mandi and make higher profits. Increasing arrivals of gur is major factor for recent decline in gur prices.

Outlook:

Sugar prices are witnessing upward correction with back to back supportive factors like lesser non levy sugar quota for Feb, increase in levy prices and recent export allowance. However, prices might stabilize a bit from present level as millers will try to sell its sugar stock at higher level which means increasing supply pressure in the market. We expect sugar prices will move range bound with some weakness in the coming days as market has discounted all the bullish factors.

NCDEX Sugar Futures

Contract	+/-	Open	High	Low	Close
Feb-12	4	2871	2900	2865	2883
Mar-12	Unch	2891	2910	2876	2895.00
Apr-12	7	2918	2941	2910	2933

Contract	Volume	Change	OI	Change
Feb-12	7350	2820	32060	-110
Mar-12	11350	6470	33400	580
Apr-12	3920	-180	25520	310

Spread	Feb-12	Mar-12	Apr-12
Basis	17		
Jan-11		12	50
Feb-12			38

Stocks	Demat 11-02-12	In-Process 11-02-12	Total 11-02-12	FED 06-02-12
Kolhapur M	2059	850	2909	1610
Kolhapur S	7675	750	8425	7275

NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
Mar-12	-18	1115	1118	1094	1097
July-12	-28	1300	1300	1265	1270.5
Sept-12	-32	1342.5	1342.5	1315.5	1320

Contract	Volume	Change	OI	Change
Mar-12	6550	5010	7040	580
July-12	4930	3900	9370	-660
Sept-12	410	380	1430	80

Spread	Mar-12	July-12	Sept-12
Basis	-57		
Jan-12		173.5	223
Mar-12			49.5

LIFFE Sugar Futures (In US\$/MT)

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

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	551.50	-3.00
Raw Sugar C&F (\$/MT)	Black Sea	591.75	+7.25
Sugar White FOB (\$/MT)	Santos Port	663.50	+7.50

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Mar'12/Mar'12	113.25	
May'12/May'12	111.75	
Aug'12/Jul'12	103.25	

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Commodity	Price	Change
Brazil Domestic Sugar	26.55	
Brazil Anhydrous	20.51	
Brazil Hydrous	20.41	

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		13-2-2012	11-2-2012	
Sugar	Delhi - Grade M	3060	3050	10
	Delhi - Grade S	2980	3000	-20
	Delhi - Grade L	3100	3070	-30
	UP- Khatuali Grade M	3000	3035	-35
	UP- Ramala Grade M	2970	2970	Unch
	Mumbai –Grade M	3071	3076	-5
	Mumbai –Grade S	2971	2961	10
	Kolhapur – Grade M	2900	2925	-25
	Kolhapur – Grade S	2800	2825	-25
	Vijayawada – Grade M	3300	3300	Unch
	Vijayawada- Grade S	3200	3200	Unch
	Nagpur – Grade M	3150	3150	Unch
	Kolkata – Grade M	3120	-	-
	Chennai - Grade S	2825	2825	Unch

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

Gur Spot Prices (Rs/Qtl)				
Markets	Variety	13-2-2012	11-2-2012	Change
Muzaffar Nagar	Chaku (New Arrival)	2600	2650	-50
	Khurpa	2400	2400	Unch
	Laddu	2500	2500	Unch
	Rascut	2325	2350	-25
Maharashtra	Lal Variety	2500	2525	-25
Bangalore	Achhu	2600	-	-
	Mudde	2800	-	-
Belgaum	Mudde	-	2400	-
Belthangadi	Yellow (Average)	2900	-	-
Bijapur	Achhu	2380	-	-
Gulbarga	Other (Average)	2310	2351	-41
Mahalingapura	Penti (Average)	2250	-	-
Mandya	Achhu (Medium)	2250	-	-
	Kurikatu (Medium)	2100	-	-
	Other (Medium)	2200	-	-
	Yellow (Medium)	2150	-	-
Shimoga	Achhu (Average)	-	-	-

UP Private Mills Tender Rates				
Centre	Origin/Grade	13/2/2012	11/2/2012	Change
Dorala	M-30	2960	3010	-50
Mawana	M-30	2965	3030	-65
Modinagar	M-30	2935	2980	-45
Malakpur	M-30	2920	2960	-40
Simbholi	M-30	3025	3055	-30
Asamoli	M-30	2965	3010	-45
Dhanora	M-30	2920	3010	-90
Dhampur	M-30	2900	2955	-55
Kinnoni	M-31	3030	3100	-70
Budhana	M-31	2935	3010	-75
Thanabhavan	M-31	2930	3005	-75
UP Government Mills Tender Rates				
Centre	Origin/Grade	13/2/2012	11/2/2012	Change
Morna	M-30	2880	2925	-45
Nanotha	M-30	2865	2920	-55
Nazibabad	M-30	2850	2890	-40
Ramlaxman	M-30	-	-	-
Sakoti	M-30	2890	2940	-50
Amroha	M-30	2875	2930	-55
Chandpur	M-30	2870	2930	-60

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	13/2/2012	11/2/2012	Change
Baghpat	M-30	2880	2930	-50
Gajraula	M-30	2860	2910	-50
BulandShahar	M-30	2885	2940	-55
Anupshahar	M-30	2870	2920	-50

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	2/11/2012
MULA	NEW S1.PP	2875
	M.JK	2980.00 OPEN
DAUND AGRO	S1.PP	2820
BHAIRAVANATH	S1.JB	2810

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.