

Sugar & Gur Domestic & International Fundamentals:

- Steady to weak sentiments recorded in various sugar spot markets on Friday.
- As per Indian Sugar Mills Association (ISMA), sugar output is higher 15% at 16.13 million tonnes in the October-February 2011-12 seasons, due to higher cane area and recovery. In the last year the sugar output stood at 14 million tonnes.
- In Maharashtra till now produced 5.66 million tonnes, up 14 per cent over previous year. The recovery rate is marginally higher at 11.20 per cent in the State as per ISMA report.
- UP mills have crushed 516.1 lac tonnes sugarcane and produce 45.18 lac tonnes sugar with an average recovery of 8.75% till 15th Feb 2012. Recent sugar production data for this year is 14% higher compared to 2010-11 sugar produce by sugar mills at same period.
- Plant cane harvesting is going on at present and improved average recovery of sugar from cane has been witnessed from UP compared to last year which gives some relief for UP millers. It is noticeable that around 3% decline in recovery has been witnessed till last week from Ratoon crop in UP compared to last year due to various diseases and high implementation of Urea from farmers as mentioned in our previous monthly report.
- Mixed sentiment witnessed in Gur makets today. However, gur prices will remain in bullish in coming days 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	-4.00	2939.00	2999.00	2911.00	2911.00
Mar-12	7.00	2879.00	2900.00	2876.00	2880.00
Apr-12	1.00	2913.00	2928.00	2911.00	2911.00

Contract	Volume	Change	OI	Change
Feb-12	22,430	13770	12900	-15040
Mar-12	11,200	3490	36100	-2220
Apr-12	3,000	1000	27170	-260

Spread	Feb-12	Mar-12	Apr-12
Basis	14	--	--
Jan-11		-31	0
Feb-12			31

Stocks	Demat	In-Process	Total	FED
	16-02-12	16-02-12	16-02-12	13-02-12
Kolhapur M	3558	150	3708	2659
Kolhapur S	10024	637	10661	8175

NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
Mar-12	-11.50	1095.00	1097.50	1080.00	1085.50
July-12	-18.00	1262.50	1265.50	1248.50	1250.50
Sept-12	-26.00	1312.50	1318.00	1291.50	1293.00

Contract	Volume	Change	OI	Change
Mar-12	5,440	3940	6210	-830
July-12	4,500	2700	9940	290
Sept-12	770	660	1560	-30

Spread	Mar-12	July-12	Sept-12
Basis	-69.5	--	--
Jan-12		165	207.5
Mar-12			42.5

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
May-12	621.30	629.40	616.90	627.00	+10.30
Aug-12	605.00	611.70	600.60	609.80	+9.10
Oct -12	603.00	609.50	600.60	608.50	+9.70

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Mar-12	24.40	24.81	24.25	24.59	+0.10
May-12	23.64	23.91	23.33	23.73	+0.16
July-12	22.88	23.22	22.73	23.14	+0.17

Brazil Sugar Quotes (Kingsman)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	547.75	
Raw Sugar C&F (\$/MT)	Black Sea	580.75	
Sugar White FOB (\$/MT)	Santos Port	652.25	

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
May'12/May'12	103.50	-9.00
Aug'12/Jul'12	100.75	-11.75
Oct'12/Oct'12	92.00	-14.50

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Commodity	Price	Change
Brazil Domestic Sugar	26.21	-0.11
Brazil Anhydrous	20.60	0.12
Brazil Hydrous	20.58	0.12

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		17.2.2012	16.2.2012	
Sugar	Delhi - Grade M	3020	3025	-5
	Delhi - Grade S	3005	2980	+25
	Delhi - Grade L	3050	3045	+5
	UP- Khatuali Grade M	3000	3030	-30
	UP- Ramala Grade M	2955	2960	-5
	Mumbai –Grade M	3051	3061	-10
	Mumbai –Grade S	2931	2946	-15
	Kolhapur – Grade M	2925	2925	Unch
	Kolhapur – Grade S	2825	2775	+50
	Vijayawada – Grade M	3300	3300	Unch
	Vijayawada- Grade S	3200	3200	Unch
	Nagpur – Grade M	3125	Closed	-
	Kolkata – Grade M	3010	-	-
	Chennai - Grade S	2825	2825	Unch

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

Gur Spot Prices (Rs/Qtl)				
Markets	Variety	17.2.2012	16.2.2012	Change
Muzaffar Nagar	Chaku (New Arrival)	2540	2600	-60
	Khurpa	2400	2375	+25
	Laddu	2450	2500	-50
	Rascut	2300	2325	-25
Maharashtra	Lal Variety	2525	2525	Unch
Bangalore	Achhu	2380	2600	-220
	Mudde	2500	2800	-300
Belgaum	Mudde	2500	2500	Unch
Belthangadi	Yellow (Average)	3000	3000	Unch
Bijapur	Achhu	2280	2300	-20
Gulbarga	Other (Average)	2350	2335	+15
Mahalingapura	Penti (Average)	2410	2410	Unch
Mandya	Achhu (Medium)	2300	2300	Unch
	Kurikatu (Medium)	2100	2150	-50
	Other (Medium)	2150	2150	Unch
	Yellow (Medium)	2250	2250	Unch
Shimoga	Achhu (Average)	2425	2400	+25

UP Private Mills Tender Rates				
Centre	Origin/Grade	17.2.2012	16.2.2012	Change
Dorala	M-30	2960	2960	Unch
Mawana	M-30	2965	2965	Unch
Modinagar	M-30	2935	2935	Unch
Malakpur	M-30	2920	2920	Unch
Simbholi	M-30	3025	3025	Unch
Asamoli	M-30	2965	2965	Unch
Dhanora	M-30	2920	2920	Unch
Dhampur	M-30	2900	2900	Unch
Kinnoni	M-31	3030	3030	Unch
Budhana	M-31	2935	2935	Unch
Thanabhavan	M-31	2930	2930	Unch
UP Government Mills Tender Rates				
Centre	Origin/Grade	17.2.2012	16.2.2012	Change
Morna	M-30	2880	2880	Unch
Nanotha	M-30	2865	2865	Unch
Nazibabad	M-30	2850	2850	Unch
Ramlaxman	M-30	-	-	-
Sakoti	M-30	2890	2890	Unch
Amroha	M-30	2875	2875	Unch
Chandpur	M-30	2870	2870	Unch

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	17.2.2012	16.2.2012	Change
Baghpat	M-30	2880	2880	Unch
Gajraula	M-30	2860	2860	Unch
BulandShahar	M-30	2885	2885	Unch
Anupshahar	M-30	2870	2870	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	2/16/2012
GURUDATT	S.PP	2770.00 OPEN
	M.PP	2870.00 OPEN
NIPANI	S.PP	2703
KUMBHI	S1.PP	2798.00 OPEN
	M.PP	2900
DATT SHIROL	S.PP	2788.00 OPEN

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