

Sugar & Gur Domestic & International Fundamentals:

- Steady to weak sentiments recorded in various sugar spot markets on Saturday.
- Demand from neighbouring States has been poor in the domestic market, weakening market sentiment at the upper level.
- Sugar production in Uttar Pradesh has exceeded 4.5 million tonnes (MT), which is 13 per cent higher compared to similar period last year. The state is targeting sugar output of 6.5 MT for this season against 5.9 MT during 2010-11.
- 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.
- Steady to weak sentiment witnessed in Gur makets today.
- Improved arrivals and moderate demand kept the prices of gur under control. Meanwhile, kolhus are getting new plant cane crop from farmers for making gur which also urge gur manufacturers to take some advantage of higher gur prices in the Muzaffar nagar mandi at present.

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
Mar-12	-8.00	2881.00	2884.00	2873.00	2877.00
Apr-12	-1.00	2913.00	2922.00	2909.00	2916.00
May-12	-2.00	2944.00	2953.00	2943.00	2950.00

Contract	Volume	Change	OI	Change
Mar-12	2,000	-20430	36800	23900
Apr-12	870	-10330	27520	-8580
May-12	210	-2790	7690	-19480

Spread	Mar-12	Apr-12	May-12
Basis	48	--	--
Mar-12		39	73
Apr-12			34

Stocks	Demat	In-Process	Total	FED
	17-02-12	17-02-12	17-02-12	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	-4.00	1081.50	1088.00	1081.50	1083.00
July-12	-6.50	1250.00	1254.00	1241.50	1244.00
Sept-12	-14.50	1282.00	1290.50	1265.00	1280.50

Contract	Volume	Change	OI	Change
Mar-12	2,000	-3440	6110	-100
July-12	3,280	-1220	9730	-210
Sept-12	470	-300	1530	-30

Spread	Mar-12	July-12	Sept-12
Basis	-83	--	---
Mar-12		161	197.5
July-12			36.5

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
May-12	623.20	630.00	623.20	626.50	-0.50
Aug-12	607.40	612.50	607.20	608.60	-1.20
Oct -12	607.90	610.40	606.70	607.40	-1.10

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Mar-12	24.55	24.69	24.49	24.62	+0.03
May-12	23.73	23.85	23.63	23.77	+0.04
July-12	23.15	23.21	23.04	23.16	+0.02

Brazil Sugar Quotes (Kingsman)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	547.75	+7.25
Raw Sugar C&F (\$/MT)	Black Sea	580.75	+7.25
Sugar White FOB (\$/MT)	Santos Port	663.25	+7.00

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
May'12/May'12	103.50	Unch
Aug'12/Jul'12	99.50	-1.25
Oct'12/Oct'12	91.00	-1.00

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Commodity	Price	Change
Brazil Domestic Sugar	26.24	0.03
Brazil Anhydrous	20.63	0.03
Brazil Hydrous	20.61	0.03

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		18.2.2012	17.2.2012	
Sugar	Delhi - Grade M	3005	3020	-15
	Delhi - Grade S	2970	3005	-35
	Delhi - Grade L	3025	3050	-25
	UP- Khatuali Grade M	3000	3000	Unch
	UP- Ramala Grade M	2960	2955	+5
	Mumbai –Grade M	3061	3051	+10
	Mumbai –Grade S	2941	2931	+10
	Kolhapur – Grade M	2925	2925	Unch
	Kolhapur – Grade S	2825	2825	Unch
	Vijayawada – Grade M	3300	3300	Unch
	Vijayawada- Grade S	3200	3200	Unch
	Nagpur – Grade M	3125	3125	Unch
	Kolkata – Grade M	3000	3010	-10
	Chennai - Grade S	2825	2825	Unch

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

Gur Spot Prices (Rs/Qtl)

Markets	Variety	18.2.2012	17.2.2012	Change
Muzaffar Nagar	Chaku (New Arrival)	2500	2540	-40
	Khurpa	2350	2400	-50
	Laddu	2450	2450	Unch
	Rascut	2300	2300	Unch
Maharashtra	Lal Variety	2525	2525	Unch
Bangalore	Achhu	2380	2380	Unch
	Mudde	2500	2500	Unch
Belgaum	Mudde	-	2500	-
Belthangadi	Yellow (Average)	3000	3000	Unch
Bijapur	Achhu	2265	2280	-15
Gulbarga	Other (Average)	2345	2350	-5
Mahalingapura	Penti (Average)	-	2410	-
Mandya	Achhu (Medium)	2250	2300	-50
	Kurikatu (Medium)	2100	2100	Unch
	Other (Medium)	2150	2150	Unch
	Yellow (Medium)	2200	2250	-50
Shimoga	Achhu (Average)	-	2425	-

UP Private Mills Tender Rates				
Centre	Origin/Grade	18.2.2012	17.2.2012	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	18.2.2012	17.2.2012	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	18.2.2012	17.2.2012	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	2/17/2012
PRATAPGAD	S1.PP	2750
SADASHIV	S.JB	2767.00-2770.00
	M.JB	2820.00-2825.00
PRAVARA	M.JB	2902.00-2910.00
BHENDA	M.PP	2945
SANJIVANI	S.JB	2866
DATT SHIROL	S.PP	2773.00 OPEN
ASURLE PORLE	S.PP	2783.00 OPEN
SAHYADRI	S1.PP-S2.PP	2785.00-2760.00
	M.PP	2900

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