

Sugar & Gur Domestic & International Fundamentals:

- Mostly weak sentiments recorded in various sugar spot markets on Tuesday.
- Indian millers expect to produce 26 million tonne of sugar in 2011-12 while sugarcane production is likely to stand at 347.87 million tonne - higher by 5.09 million tonne over the previous year.
- UP mills have crushed 516.1 lac tonnes sugarcane and produce 45.18 lac tonnes sugar with an average recovery of 8.75% till 15thFeb 2012. Recent sugar production data for this year is 14% higher compared to 2010-11.
- 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.
- Mixed sentiment witnessed in Gur makets today.
- Around 567,714 bags (40 kg each) are stored in Muzaffar nagar cold storage till 17th February 2012 which are 154,286 bags lesser compared to last year same period stock position of gur.

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	-23.00	2880.00	2888.00	2856.00	2856.00
Apr-12	-12.00	2915.00	2922.00	2901.00	2902.00
May-12	-15.00	2940.00	2953.00	2934.00	2934.00

Contract	Volume	Change	OI	Change
Mar-12	6,620	4620	37330	530
Apr-12	2,790	1920	27590	70
May-12	670	460	7630	-60

Spread	Mar-12	Apr-12	May-12
Basis	19	--	--
Mar-12		46	78
Apr-12			32

Stocks	Demat	In-Process	Total	FED
	18-02-12	18-02-12	18-02-12	13-02-12
Kolhapur M	3758	550	4308	2659
Kolhapur S	12059	1042	13101	8175

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

NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
Mar-12	-6.00	1075.50	1082.00	1072.50	1077.50
July-12	-4.00	1235.00	1244.00	1231.00	1239.50
Sept-12	-3.00	1275.00	1309.50	1263.50	1279.50

Contract	Volume	Change	OI	Change
Mar-12	4,740	2740	6130	20
July-12	3,910	630	10020	290
Sept-12	790	320	1600	70

Spread	Mar-12	July-12	Sept-12
Basis	-67.5	--	--
Mar-12		162	202
July-12			40

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	552.25	+4.50
Raw Sugar C&F (\$/MT)	Black Sea	585.25	+4.50
Sugar White FOB (\$/MT)	Santos Port	667.75	+4.50

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
		21.2.2012	18.2.2012	
Sugar	Delhi - Grade M	3000	3005	-5
	Delhi - Grade S	2950	2970	-20
	Delhi - Grade L	3020	3025	-5
	UP- Khatwari Grade M	2990	3000	-10
	UP- Ramala Grade M	2930	2960	-30
	Mumbai -Grade M	3051	3061	-10
	Mumbai -Grade S	2930	2941	-11
	Kolhapur - Grade M	2875	2925	-50
	Kolhapur - Grade S	2750	2825	-75
	Vijayawada - Grade M	3300	3300	Unch
	Vijayawada- Grade S	3200	3200	Unch
	Nagpur - Grade M	3125	3125	Unch
	Kolkata - Grade M	-	3000	-
	Chennai - Grade S	2800	2825	-25

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

Gur Spot Prices (Rs/Qtl)

Markets	Variety	21.2.2012	18.2.2012	Change
Muzaffar Nagar	Chaku (New Arrival)	2525	2500	+25
	Khurpa	2350	2350	Unch
	Laddu	2480	2450	+30
	Rascut	2350	2300	+50
Maharashtra	Lal Variety	2500	2525	-25
Bangalore	Achhu	2380	2380	Unch
	Mudde	2500	2500	Unch
Belgaum	Mudde	-	-	-
Belthangadi	Yellow (Average)	3000	3000	Unch
Bijapur	Achhu	2260	2265	-5
Gulbarga	Other (Average)	-	2345	-
Mahalingapura	Penti (Average)	-	-	-
Mandya	Achhu (Medium)	2300	2250	+50
	Kurikatu (Medium)	2100	2100	Unch
	Other (Medium)	2150	2150	Unch
	Yellow (Medium)	2250	2200	+50
Shimoga	Achhu (Average)	-	-	-

UP Private Mills Tender Rates				
Centre	Origin/Grade	21.2.2012	18.2.2012	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	21.2.2012	18.2.2012	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	21.2.2012	18.2.2012	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	1/18/2012
SONHIRA	S.PP	2788.00 OPEN
	M.JK	2898.00 OPEN
D.Y.PATIL	S.PP	2798.00 OPEN
	M.PP	2898.00 OPEN

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