

Sugar & Gur Domestic & International Fundamentals:

- Sugar prices have declined sharply in spot as well as in future markets on Friday as lesser demand and increased arrivals of sugar from millers in the open markets.
- Sugar prices are hovering again in its bottom level as expected and are likely to move up from present level. Lower sugar quota and expected retail buying came just before Holi festival will drive the sugar prices upwards.
- Meanwhile, TN millers are just quoting sugar prices but due to higher sugar prices quotation, no buyer is interested to buy sugar at prevailing market.
- Around 38000 bags of sugar has departed from Mumbai port as reported.
- India produce 186.5 lac tons sugar till 29th Feb 2012 which is 15% higher compared to last year sugar produced by mills in India. Last year, sugar mills produced 162.5 lac tons sugar same period. According to ISMA.
- Gur prices are declining continuously in Muzaffar nagar market on Friday owing to depleting difference between this year stock positions compared to last year's stock position.
- Meanwhile, it is reported that gur production recovers on weekly basis as only 70000 bags of chaku variety gur are short compared to last year which was around 150000 bags in previous month.
- Also, around 10000-15000 bags of gur (40 kg each) have been arrived in the market daily which is also an influencing factor for decline in the prices of gur.
- Around 813,000 bags (40 kg each) are stored in Muzaffar nagar cold storage till 27th February 2012 which are 10000 bags lesser compared to last year same period stock position of gur.

Outlook:

Sugar prices are moving downwards after having short term bullishness in the prices due to lesser sugar quota for March. We expect prices will move up from prevailing levels.

NCDEX Sugar Futures

Contract	+/-	Open	High	Low	Close
Mar-12	-47	2881	2881	2836	2840
Apr-12	-32	2930	2930	2901	2905
May-12	-31	2961	2970	2940	2941

Contract	Volume	Change	OI	Change
Mar-12	21390	11920	38660	1830
Apr-12	10940	5660	34870	720
May-12	7250	2980	26180	2090

Spread	Mar-12	Apr-12	May-12
Basis	85		
Mar-12		65	101
Apr-12			36

Stocks	Demat	In-Process	Total	FED
	01-03-12	01-03-12	01-03-12	27-02-12
Kolhapur M	4308	0	4308	4308
Kolhapur S	13901	100	14001	13101

NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
Mar-12	-12.5	1052	1053.5	1041	1042
July-12	-5	1191	1192	1182	1184
Sept-12	-20.5	1230	1233	1214.5	1222

Contract	Volume	Change	OI	Change
Mar-12	4200	1040	6360	410
July-12	3900	-2460	10380	-260
Sept-12	920	90	1890	280

Spread	Mar-12	July-12	Sept-12
Basis	-62		
Mar-12		142	180
July-12			38

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
May-12	652.9	653.4	643.3	646	-6.4
Aug-12	635.8	635.8	628	629.9	-5.9
Oct -12	629.7	632.1	625	626.8	-3.7

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Mar-12	25	25	24.45	24.85	-0.16
May-12	24.29	24.3	23.83	24.2	-0.12
July-12	24.33	24.4	24.05	24.36	-0.05

Brazil Sugar Quotes (Kingsman)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	563.00	-0.5
Raw Sugar C&F (\$/MT)	Black Sea	596.00	-0.5
Sugar White FOB (\$/MT)	Santos Port	658.75	-0.5

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
May'12/May'12	103	1
Aug'12/Jul'12	101	0.5
Oct'12/Oct'12	93.5	-0.5

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Commodity	Price	Change
Brazil Domestic Sugar	25.84	-0.25
Brazil Anhydrous	21.67	-0.16
Brazil Hydrous	22	-0.16

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		02.3.2012	01.3.2012	
Sugar	Delhi - Grade M	3000	3010	-10
	Delhi - Grade S	2970	2980	-10
	Delhi - Grade L	3020	3030	-10
	UP- Khatuali Grade M	3000	3020	-20
	UP- Ramala Grade M	2940	2925	+15
	Mumbai –Grade M	3051	3061	-10
	Mumbai –Grade S	2941	2956	-15
	Kolhapur – Grade M	2925	2950	-25
	Kolhapur – Grade S	2825	2850	-25
	Vijayawada – Grade M	3270	3270	Unch
	Vijayawada- Grade S	3170	3170	Unch
	Nagpur – Grade M	3020	3020	Unch
	Kolkata – Grade M	-	3120	-
	Chennai - Grade S	2850	2850	Unch

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

Gur Spot Prices (Rs/Qtl)				
Markets	Variety	02.3.2012	01.3.2012	Change
Muzaffar Nagar	Chaku (New Arrival)	2450	2475	-25
	Khurpa	2270	2325	-55
	Laddu	2450	2450	Unch
	Rascut	2250	2300	-50
Maharashtra	Lal Variety	2475	2475	Unch
Bangalore	Achhu	2540	2540	Unch
	Mudde	2600	2600	Unch
Belgaum	Mudde	2300	2300	Unch
Belthangadi	Yellow (Average)	-	-	-
Bijapur	Achhu	2200	2320	-120
Gulbarga	Other (Average)	2325	2351	-26
Mahalingapura	Penti (Average)	2410	2440	-30
Mandya	Achhu (Medium)	2300	2350	-50
	Kurikatu (Medium)	2150	2100	+50
	Other (Medium)	2200	2150	+50
	Yellow (Medium)	2250	2250	Unch
Shimoga	Achhu (Average)	2380	2425	-45

UP Private Mills Tender Rates				
Centre	Origin/Grade	02.3.2012	01.3.2012	Change
Dorala	M-30	2925	2925	Unch
Mawana	M-30	2940	2940	Unch
Modinagar	M-30	2915	2915	Unch
Malakpur	M-30	2895	2895	Unch
Simbholi	M-30	3000	3000	Unch
Asamoli	M-30	2940	2940	Unch
Dhanora	M-30	2925	2925	Unch
Dhampur	M-30	2920	2920	Unch
Kinnoni	M-31	3025	3025	Unch
Budhana	M-31	2945	2945	Unch
Thanabhavan	M-31	2940	2940	Unch

UP Government Mills Tender Rates				
Centre	Origin/Grade	02.3.2012	01.3.2012	Change
Morna	M-30	2870	2870	Unch
Nanotha	M-30	2850	2850	Unch
Nazibabad	M-30	2830	2830	Unch
Ramlaxman	M-30	-	-	-
Sakoti	M-30	2870	2870	Unch
Amroha	M-30	2870	2870	Unch
Chandpur	M-30	2860	2860	Unch

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	02.3.2012	01.3.2012	Change
Baghpat	M-30	2870	2870	Unch
Gajraula	M-30	2840	2840	Unch
BulandShahar	M-30	2890	2890	Unch
Anupshahar	M-30	2840	2840	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	01-03-2012
BIDRI	M.PP	2898
ASHOKNAGAR	S1.PP	2835
	S1.JK	2891
AADINATH	S.PP	2748
SADASHIV	S.JB	2790.00-2796.00
	M.JB	2845
AKLUJ	S1.JK	2810.00-2820.00
	M.JK	2873
RAYAT	S.JB	2880
	M.JB	2970
KAGAL	S1.PP-JK	2850.00-285.00
	M.PP	2950

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