

## Sugar & Gur Domestic & International Fundamentals:

- Sugar prices declined in key spot markets on Tuesday. Millers are trying to release their allocate quantity as soon as possible which results in ample sugar supply of sugar in the markets.
- Czarnikow increase its global sugar production forecast for 2011-12 by 26% to 7.7 million tons, It is expected that sugar surplus might show its effect on prices in the middle of the year.
- India is likely to produce more than 25 million tons sugar in MY 2011-12.
- Indian Sugar gives tough competition to major sugar export players like Thailand and Brazil owing to cheaper sugar quotes.
- International sugar prices got support on concerns over delay start of sugarcane harvesting in Brazil by two weeks. Meanwhile, Indian sugar producers might get the golden chance to take some advantage out of it keeping in view higher Thai premium and increasing international prices. In addition to it, already Indian domestic prices are its lower level. Millers need to export sugar quickly as after April, Brazilian crop is expected to hit the markets which will ease the prices.
- About 80% of the total available sugar exports have been sold already till date from Thailand, as per the news sources. It is noticeable that millers want to sell the output in the first quarter of the year as new Brazilian crop will be arrived in the market which will pressurize the international prices of sugar which might squeeze the profit margins of millers.
- Gur Benchmark mandi Muzaffar nagar closed today owing to counting day in the state. Meanwhile, we expect arrivals to increase in near term which may weigh on the market sentiments for short term.
- Gur stock starts improving in the Muzaffarnagar spot market. Stocks as on 5<sup>th</sup> March was seen at 923000 bags (40 Kg each) compared to the stock position 293000 bags reported during 17<sup>th</sup> Jan 2012. However, total gur stock at Muzaffarnagar is marginally lower when compared last year stocks
- With expectation of increase in arrivals and stocks we expect gur prices to stay weak for short term.

## Outlook:

Sugar price is likely to stay range bound and may find buying support in case of major decline. Gur price is likely to stay under pressure due to higher arrivals for short term.

### NCDEX Sugar Futures

Contract	+/-	Open	High	Low	Close
Mar-12	-17	2839	2839	2820	2822
Apr-12	-12	2905	2905	2886	2889
May-12	-13	2945	2945	2925	2925

Contract	Volume	Change	OI	Change
Mar-12	6280	-2320	37280	200
Apr-12	6140	-2670	37720	1050
May-12	4550	-2930	29240	1000

Spread	Mar-12	Apr-12	May-12
Basis	62		
Mar-12		61	102
Apr-12			41

Stocks	Demat 05-03-12	In-Process 05-03-12	Total 05-03-12	FED 05-03-12
Kolhapur M	4308	0	4308	4308
Kolhapur S	14201	400	14601	14201

### LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
May-12	653.2	655.3	645.9	647.5	-5.6
Aug-12	637.5	638.8	630	631.7	-5.2
Oct -12	631	631.9	623.7	627.8	-3.2

### NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
Mar-12	-15.5	1058	1067	1046	1046.5
July-12	-16	1219.5	1220	1204	1205
Sept-12	-20	1240	1255	1230.5	1230.5

Contract	Volume	Change	OI	Change
Mar-12	4190	-370	5910	110
July-12	5430	-2190	10960	-140
Sept-12	450	-100	2040	0

Spread	Mar-12	July-12	Sept-12
Basis			
Mar-12			
July-12			

### ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Mar-12	24.95	25.1	24.6	24.68	-0.28
May-12	24.23	24.32	23.86	23.93	-0.3
July-12	24.28	24.33	23.88	23.94	-0.33

## Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	549.75	<b>-12.00</b>
Raw Sugar C&F (\$/MT)	Black Sea	584.75	<b>-12.00</b>
Sugar White FOB (\$/MT)	Santos Port	655.50	<b>-2.00</b>

## Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
May'12/May'12	102.25	<b>Unch</b>
Aug'12/Jul'12	102.00	<b>Unch</b>
Oct'12/Oct'12	95.25	<b>Unch</b>

## Brazil Sugar/ Ethanol Prices (In Cents/lb)

Commodity	Price	Change
Brazil Domestic Sugar	25.63	<b>-0.19</b>
Brazil Anhydrous	21.86	<b>0.26</b>
Brazil Hydrous	22.06	<b>0.13</b>

## Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		06-03-2012	05-03-2012	
Sugar	Delhi - Grade M	3000	3005	<b>-5</b>
	Delhi - Grade S	2960	2975	<b>-15</b>
	Delhi - Grade L	3025	3025	<b>Unch</b>
	UP- Khatuali Grade M	Market closed	2980	-
	UP- Ramala Grade M	Market closed	2940	-
	Mumbai –Grade M	3046	3051	<b>-5</b>
	Mumbai –Grade S	2941	2941	<b>Unch</b>
	Kolhapur – Grade M	2875	2900	<b>-25</b>
	Kolhapur – Grade S	2775	2800	<b>-25</b>
	Vijayawada – Grade M	3270	3270	<b>Unch</b>
	Vijayawada- Grade S	3170	3170	<b>Unch</b>
	Nagpur – Grade S	3000	3010	<b>-10</b>
	Kolkata – Grade M	2990	-	-
	Chennai - Grade S	2800	2850	<b>-50</b>

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

Gur Spot Prices (Rs/Qtl)				
Markets	Variety	06-03-2012	05-03-2012	Change
Muzaffar Nagar	Chaku (New Arrival)	Market closed	2500	-
	Khurpa	Market closed	2360	-
	Laddu	Market closed	2450	-
	Rascut	Market closed	2325	-
Maharashtra	Lal Variety	2450	2450	<b>Unch</b>
Bangalore	Achhu	-	2540	-
	Mudde	-	2600	-
Belgaum	Mudde	-	2400	-
Belthangadi	Yellow (Average)	3100	3100	<b>Unch</b>
Bijapur	Achhu	2238	2350	<b>-12</b>
Gulbarga	Other (Average)	2350	2355	<b>-5</b>
Mahalingapura	Penti (Average)	2410	2410	<b>Unch</b>
Mandya	Achhu (Medium)	-	2300	-
	Kurikatu (Medium)	-	2175	-
	Other (Medium)	-	2200	-
	Yellow (Medium)	-	2250	-
Shimoga	Achhu (Average)	-	2375	-

UP Private Mills Tender Rates				
Centre	Origin/Grade	06-03-2012	05-03-2012	Change
Dorala	M-30	2900	2910	-10
Mawana	M-30	2910	2915	-5
Modinagar	M-30	2875	2925	-50
Malakpur	M-30	2860	2910	-50
Simbholi	M-30	2940	2960	-20
Asamoli	M-30	2900	2920	-20
Dhanora	M-30	2900	2910	-10
Dhampur	M-30	2850	2860	-10
Kinnoni	M-31	2980	2980	Unch
Budhana	M-31	2900	2900	Unch
Thanabhavan	M-31	2890	2895	-5

UP Government Mills Tender Rates				
Centre	Origin/Grade	06-03-2012	05-03-2012	Change
Morna	M-30	2840	2840	Unch
Nanotha	M-30	2820	2820	Unch
Nazibabad	M-30	2810	2820	-10
Ramlaxman	M-30	-	-	-
Sakoti	M-30	2850	2850	Unch
Amroha	M-30	2850	2850	Unch
Chandpur	M-30	2840	2840	Unch

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	06-03-2012	05-03-2012	Change
Baghpat	M-30	2850	2860	-10
Gajraula	M-30	2820	2830	-10
BulandShahar	M-30	2860	2880	-20
Anupshahar	M-30	2820	2820	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	05-03-2012
CHANDRABHAGA	S1.PP	2755
MAKAI	S1.PP	2788
AADINATH	S.PP	2723
	S.JK	2743
AADINATH	S.PP	2723
	S.JK	2743
SHREEPUR	S1.PP	2820
	M.PP	2920
VRIDESHEAR	S.PP	2761
	S1.PP	2821
BHOGAWATI	S1.PP	2838.00 OPEN
	M.PP	2948.00 OPEN
DATT SHIROL	S.PP	2800
	M.PP	2900
SOMESHWAR	OLD S.PP	2750
SADASHIV	S.JB	2768.00-2772.00
	M.JB	2800.00-2810.00

UDAYSINGH GAIKWAD	S.JB	2798
	M.JB	2901.00-2903.00
VISHWAS	OLD S.PP	2753
ASURLE PORLE	S1.PP	2795

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