

Sugar & Gur Domestic & International Fundamentals:

- Lackluster trade and weak demand of sugar in key spot markets led the sugar prices downwards today. However, we expect prices might witness an upward correction after 22nd March due to expected lower quota for April which will drive the sugar prices upwards.
- India to export 60000 tons of raw sugar to Iran as reported.
- Indian mills have produced 21.2 million tons of sugar till 15th March 2012 which is 14% higher Y-o-Y, according to ISMA. It is noticeable that last year mills have produced 18.57 million tons of sugar same period. Around 476 mills are operating at present against of 419 mills operated last year same period. Also, improved recovery and early opening of mills Y-o-Y also became the influencing factors for higher sugar production till date compared to last year.
- Gur prices have declined in Muzaffar nagar mandi on Tuesday owing to higher arrivals over demand.
- Meanwhile, we expected increase in demand of gur might occur in the coming days as gur is used in making pickles in Gujarat which will drive the prices upwards.
- Around 10,85,000 bags (40 kg each) has been stored in Muzaffar nagar cold storage till 19th March 2012 which are 43000 bags higher compared to last year same period stock position of gur. Out of total stock position of gur, around 7,20,000 bags have stored in cold storage which are also 31,000 bags more compared to previous year. 1,20,000 bags are stored of Raskut Variety Gur and rest is for Laddu and Khurpa and other gur varieties.

Outlook:

Sugar prices are likely to move up from here in Future as well as in spot markets taking cues from lower sugar quota expectations for April and rising international market. However, gur fundamentals are looking bullish as present.

NCDEX Sugar Futures

| Contract | +/- | Open | High | Low | Close |
|----------|--------|---------|---------|---------|---------|
| Mar-12 | -27.00 | 2665.00 | 2700.00 | 2650.00 | 2650.00 |
| Apr-12 | -10.00 | 2804.00 | 2825.00 | 2800.00 | 2801.00 |
| May-12 | -11.00 | 2852.00 | 2874.00 | 2850.00 | 2850.00 |

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|-------|--------|
| Mar-12 | 14880 | 4640 | 8120 | -6490 |
| Apr-12 | 9950 | -4880 | 44820 | 1780 |
| May-12 | 4040 | 110 | 31560 | 150 |

| Spread | Mar-12 | Apr-12 | May-12 |
|--------|--------|--------|--------|
| Basis | 150 | 19 | -31 |
| Mar-12 | | 131 | 181 |
| Apr-12 | | | 50 |

| Stocks | Demat | In-Process | Total | FED |
|------------|----------|------------|----------|----------|
| | 19-03-12 | 19-03-12 | 19-03-12 | 19-03-12 |
| Kolhapur M | 4308 | 0 | 4308 | 4308 |
| Kolhapur S | 21383 | 289 | 21672 | 21383 |

LIFFE Sugar Futures (In US\$/MT)

| Contract | Open | High | Low | Close | +/- |
|----------|-------|-------|-------|-------|-----|
| May-12 | 666.4 | 669 | 661 | 668 | 1.4 |
| Aug-12 | 641.1 | 646.6 | 638.1 | 645.7 | 4.1 |
| Oct -12 | 629.8 | 634.4 | 626.1 | 633.4 | 3.1 |

NCDEX Gur Futures:

| Contract | +/- | Open | High | Low | Close |
|----------|------|---------|---------|---------|---------|
| Mar-12 | 8.5 | 1050.00 | 1065.00 | 1042.00 | 1058.00 |
| July-12 | 2.00 | 1242.5 | 1247.00 | 1241.50 | 1243.00 |
| Sept-12 | 1.50 | 1266.00 | 1271.00 | 1266.00 | 1268.50 |

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|-------|--------|
| Mar-12 | 750 | 330 | 110 | -740 |
| July-12 | 4860 | -2480 | 11970 | 40 |
| Sept-12 | 720 | -430 | 2270 | -90 |

| Spread | Mar-12 | July-12 | Sept-12 |
|---------|--------|---------|---------|
| Basis | -8 | -203 | -228 |
| Mar-12 | | 195 | 220 |
| July-12 | | | 25 |

ICE Sugar Futures (In Cents/Pound)

| Contract | Open | High | Low | Close | +/- |
|----------|-------|-------|-------|-------|------|
| May-12 | 25.41 | 25.71 | 25.21 | 25.66 | 0.25 |
| July -12 | 24.32 | 24.58 | 24.13 | 24.55 | 0.28 |
| Oct-12 | 24.15 | 24.42 | 24.05 | 24.41 | 0.27 |

Brazil Sugar Quotes (Kingsman US\$/MT)

| Commodity | Place | Price | Change |
|-------------------------|-------------|--------|---------------|
| Raw Sugar FOB (\$/MT) | Santos Port | 596.75 | +22.75 |
| Raw Sugar C&F (\$/MT) | Black Sea | 634.75 | +24.75 |
| Sugar White FOB (\$/MT) | Santos Port | 697.00 | +20.50 |

Brazil White Sugar Premium (US\$/MT)

| Contract | Close | +/- |
|---------------|--------|-------------|
| May'12/May'12 | 102.5 | -5.5 |
| Aug'12/Jul'12 | 105.25 | -1.5 |
| Oct'12/Oct'12 | 96.5 | -2 |

Brazil Sugar/ Ethanol Prices (In Cents/lb)

| Commodity | Price | Change |
|-----------------------|-------|-------------|
| Brazil Domestic Sugar | 24.22 | 0.18 |
| Brazil Anhydrous | 21.61 | 0.36 |
| Brazil Hydrous | 21.54 | 0.26 |

Sugar and Gur Prices at Key Spot Markets:

| Commodity | Centre | Prices (Rs/Qtl) | | Change |
|-----------|----------------------|-----------------|------------|--------|
| | | 20-03-2012 | 19-03-2012 | |
| Sugar | Delhi - Grade M | 2960 | 2960 | Unch |
| | Delhi - Grade S | 2920 | 2920 | Unch |
| | Delhi - Grade L | 2980 | 2980 | Unch |
| | UP- Khatuali Grade M | 2945 | 2950 | -5 |
| | UP- Ramala Grade M | 2890 | 2910 | -20 |
| | Mumbai –Grade M | 3031 | 3026 | +5 |
| | Mumbai –Grade S | 2901 | 2901 | Unch |
| | Kolhapur – Grade M | 2825 | 2825 | Unch |
| | Kolhapur – Grade S | 2725 | 2725 | Unch |
| | Vijayawada – Grade M | 3200 | 3230 | -30 |
| | Vijayawada- Grade S | 3100 | 3130 | -30 |
| | Nagpur – Grade S | 2980 | 2980 | Unch |
| | Kolkata – Grade M | - | 2945 | - |
| | Chennai - Grade S | 2730 | 2730 | Unch |

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

| Gur Spot Prices (Rs/Qtl) | | | | |
|--------------------------|---------------------|------------|------------|--------|
| Markets | Variety | 20-03-2012 | 19-03-2012 | Change |
| Muzaffar Nagar | Chaku (New Arrival) | 2525 | 2600 | -75 |
| | Khurpa | 2335 | 2350 | -15 |
| | Laddu | 2525 | 2500 | +25 |
| | Rascut | 2325 | 2325 | Unch |
| Maharashtra | Lal Variety | 2550 | 2550 | Unch |
| Bangalore | Achhu | 2800 | 2580 | +220 |
| | Mudde | 2900 | 2800 | +100 |
| Belgaum | Mudde | - | 2500 | - |
| Belthangadi | Yellow (Average) | 3125 | 3150 | -25 |
| Bijapur | Achhu | 2330 | 2350 | -20 |
| Gulbarga | Other (Average) | 2325 | 2375 | -50 |
| Mahalingapura | Penti (Average) | 2680 | 2680 | Unch |
| Mandya | Achhu (Medium) | 2350 | 2400 | -50 |
| | Kurikatu (Medium) | 2200 | 2200 | Unch |
| | Other (Medium) | 2300 | 2250 | +50 |
| | Yellow (Medium) | 2400 | 2350 | +50 |
| Shimoga | Achhu (Average) | - | - | - |

| UP Private Mills Tender Rates | | | | |
|-------------------------------|--------------|------------|------------|--------|
| Centre | Origin/Grade | 20-03-2012 | 19-03-2012 | Change |
| Dorala | M-30 | 2855 | 2880 | -25 |
| Mawana | M-30 | 2860 | 2890 | -30 |
| Modinagar | M-30 | 2825 | 2850 | -25 |
| Malakpur | M-30 | 2800 | 2825 | -25 |
| Simbholi | M-30 | 2925 | 2940 | -15 |
| Asamoli | M-30 | 2850 | 2905 | -55 |
| Dhanora | M-30 | 2830 | 2880 | -50 |
| Dhampur | M-30 | 2820 | 2850 | -30 |
| Kinnoni | M-31 | 2930 | 2960 | -30 |
| Budhana | M-31 | 2840 | 2875 | -35 |
| Thanabhavan | M-31 | 2830 | 2865 | -35 |

| UP Government Mills Tender Rates | | | | |
|----------------------------------|--------------|------------|------------|--------|
| Centre | Origin/Grade | 20-03-2012 | 19-03-2012 | Change |
| Morna | M-30 | 2810 | 2820 | -10 |
| Nanotha | M-30 | 2780 | 2800 | -20 |
| Nazibabad | M-30 | 2790 | 2790 | Unch |
| Ramlaxman | M-30 | - | - | - |
| Sakoti | M-30 | 2820 | 2840 | -20 |
| Amroha | M-30 | 2820 | 2830 | -10 |
| Chandpur | M-30 | 2810 | 2820 | -10 |

| UP Cooperative Mills Tender Rates | | | | |
|-----------------------------------|--------------|------------|------------|--------|
| Centre | Origin/Grade | 20-03-2012 | 19-03-2012 | Change |
| Baghpat | M-30 | 2810 | 2820 | -10 |
| Gajraula | M-30 | 2775 | 2800 | -25 |
| BulandShahar | M-30 | 2835 | 2850 | -15 |
| Anupshahar | M-30 | 2780 | 2810 | -30 |

| Maharashtra Cooperative Mills Tender Prices | | |
|---|--------------|-----------------|
| Centre | Origin/Grade | 19-03-2012 |
| PUSHPA (NANDUBAR) | S.JB | 2835.00 OPEN |
| | M.JB | 2930.00 OPEN |
| LOKNETE | M.PP | 2760 |
| KUKADI | S.PP | 2740 |
| | M.PP | 2786 |
| CHOPDA | S.JK-JB | 2845.00-2825.00 |
| | M.JB | 2940 |
| PRATAPGAD | M.PP | 2760 |
| SADASHIV | S.JB | 2751.00-2753.00 |
| | M.JB | 2775.00-2778.00 |
| PRAVARA | S1.PP | 2760.00 OPEN |
| | M.JK | 2855.00 OPEN |
| AKLUJ | S1.JK | 2744.00-2754.00 |
| | M.JB | 2807.00-2813.00 |

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