

Sugar & Gur Domestic & International Fundamentals:

- Sugar prices improved in various sugar spot markets on Thursday. Market reacts bullish over the news of EGOM might consider additional sugar exports. Meanwhile, prices in Kolhapur are moving in a range with firm tone.
- Government is unlikely to decrease the levy sugar quota as government want to first review the sugar production estimate for 2012-13.
- Sugar futures prices are moving upwards taking cues from additional export expectations.
- Panel of Ministers might consider more sugar exports under OGL for the Marketing season 2011-11. It is noticeable that government already allowed 3 million tons of sugar for the shipments abroad. Meanwhile, EGOM ministers will meet on 25th April 2012 to decide on major issues like additional export allowance and removal of sugar export quota.
- Sugar exports parity is declining for Indian sugar exporters due to decline in International prices and recent correction in various sugar spot markets especially in Maharashtra and TN.
- India produce 24.63 million tons of sugar till 15th April 2012 which is 13% higher compared to last year sugar produce same period. Meanwhile, mills from UP produced 6.91 million tons of sugar till 15th April which is 18% higher compared to last year same period. Similarly, Maharashtra mills produce 8.54 million tons of sugar which is also 9% up compared to last year same period. It is noticeable that Indian sugar production has already breach last year's sugar production level i.e. 24.3 million tons Source: ISMA
- Gur prices declined on Thursday owing to higher arrivals compared to prior day. Meanwhile, considering weak demand and increasing stock position of gur in cold storages, prices should fall in the coming days.
- Around 1396000 bags (40 kg each) has been stored in Muzaffar nagar cold storage till 16th April 2012 which are 50000 bags higher compared to last year same period stock position of gur. Out of total gur stock position, there are around 931,000 of Chaku variety gur stored in Cold storage which are 25000 bags higher compared to previous same period
- Kolhus are still crushing cane and making gur as they still find parity in making gur from cane. It is noticeable that gur prices came down sharply from 2600 to 2400 per quintal for Chaku variety in Muzaffar nagar market.

Outlook:

Sugar prices are moving up owing to good summer demand throughout the country. However, prices of gur should crash in the coming days owing to lesser demand and moderate arrivals.

NCDEX Sugar Futures

| Contract | +/- | Open | High | Low | Close |
|----------|-------|---------|---------|---------|---------|
| May-12 | 24.00 | 2839.00 | 2860.00 | 2839.00 | 2859.00 |
| June-12 | 18.00 | 2920.00 | 2930.00 | 2918.00 | 2928.00 |
| July-12 | 13.00 | 2954.00 | 2969.00 | 2954.00 | 2969.00 |

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|-------|--------|
| May-12 | 22170 | 11940 | 40920 | 2000 |
| June-12 | 3300 | 460 | 19350 | 550 |
| July-12 | 260 | -100 | 4520 | -20 |

| Spread | May-12 | June-12 | July-12 |
|---------|--------|---------|---------|
| Basis | 87 | | |
| May-12 | | 76 | 119 |
| June-12 | | | 43 |

| Stocks | Demat | In-Process | Total | FED |
|------------|----------|------------|----------|----------|
| | 18-04-12 | 18-04-12 | 18-04-12 | 16-04-12 |
| Kolhapur M | 2392 | 0 | 2392 | 2392 |
| Kolhapur S | 22951 | 1229 | 24180 | 20591 |
| Sangli S | 160 | 0 | 160 | 160 |

LIFFE Sugar Futures (In US\$/MT)

| Contract | Open | High | Low | Close | +/- |
|----------|-------|-------|-------|-------|-------|
| Aug-12 | 600 | 603.7 | 585.2 | 586.9 | -10.1 |
| Oct -12 | 599.3 | 602.7 | 585.1 | 586.3 | -9.6 |
| Dec -12 | 605.4 | 608.7 | 591.6 | 592.1 | -10.1 |

NCDEX Gur Futures:

| Contract | +/- | Open | High | Low | Close |
|----------|--------|---------|---------|---------|---------|
| July-12 | -0.50 | 1186.00 | 1198.00 | 1173.00 | 1189.00 |
| Sept-12 | -1.50 | 1206.00 | 1220.00 | 1198.00 | 1212.50 |
| Nov-12 | -13.50 | 1054.00 | 1066.00 | 1053.50 | 1059.00 |

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|-------|--------|
| July-12 | 8970 | -7090 | 13040 | 60 |
| Sept-12 | 1260 | -1800 | 4140 | -40 |
| Nov-12 | 60 | -100 | 160 | -10 |

| Spread | July-12 | Sept-12 | Nov-12 |
|---------|---------|---------|--------|
| Basis | -139 | | |
| July-12 | | 24.5 | -125 |
| Sept-12 | | | -149.5 |

ICE Sugar Futures (In Cents/Pound)

| Contract | Open | High | Low | Close | +/- |
|----------|-------|-------|-------|-------|-------|
| May-12 | 23.09 | 23.44 | 22.28 | 22.34 | -0.68 |
| July -12 | 22.65 | 22.92 | 21.95 | 22.01 | -0.56 |
| Oct-12 | 22.81 | 23.18 | 22.28 | 22.33 | -0.54 |

Brazil Sugar Quotes (Kingsman US\$/MT)

| Commodity | Place | Price | Change |
|-------------------------|-------------|--------|--------|
| Raw Sugar FOB (\$/MT) | Santos Port | 505.50 | -16.25 |
| Raw Sugar C&F (\$/MT) | Black Sea | 547.50 | -16.25 |
| Sugar White FOB (\$/MT) | Santos Port | 602.00 | -16.25 |

Brazil White Sugar Premium (US\$/MT)

| Contract | Close | +/- |
|---------------|-------|-----|
| Aug'12/Jul'12 | 98.5 | |
| Oct'12/Oct'12 | 91 | |
| Dec'12/Oct'12 | 97 | |

Brazil Sugar/ Ethanol Prices (In Cents/lb)

| Commodity | Price | Change |
|-----------------------|-------|--------|
| Brazil Domestic Sugar | 23.72 | |
| Brazil Anhydrous | 21.05 | |
| Brazil Hydrous | 21.06 | |

Sugar and Gur Prices at Key Spot Markets:

| Commodity | Centre | Prices (Rs/Qtl) | | Change |
|-----------|----------------------|-----------------|-----------|--------|
| | | 19-4-2012 | 18-4-2012 | |
| Sugar | Delhi - Grade M | 3065 | 3060 | +5 |
| | Delhi - Grade S | 3040 | 3020 | +20 |
| | Delhi - Grade L | 3085 | 3080 | +5 |
| | UP- Khatuali Grade M | - | 3065 | - |
| | UP- Ramala Grade M | - | 2970 | - |
| | Mumbai –Grade M | 3091 | 3081 | +10 |
| | Mumbai –Grade S | 2931 | 2921 | +10 |
| | Kolhapur – Grade M | 2925 | 2925 | Unch |
| | Kolhapur – Grade S | 2825 | 2800 | +25 |
| | Vijayawada – Grade M | 3220 | 3220 | Unch |
| | Vijayawada- Grade S | 3120 | 3120 | Unch |
| | Nagpur – Grade S | 3030 | 3030 | Unch |
| | Kolkata – Grade M | 3080 | 3090 | -10 |
| | Chennai - Grade S | - | - | - |

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

Gur Spot Prices (Rs/Qtl)

| Markets | Variety | 19-4-2012 | 18-4-2012 | Change |
|----------------|---------------------|-----------|-----------|--------|
| Muzaffar Nagar | Chaku (New Arrival) | 2525 | 2625 | -100 |
| | Khurpa | 2500 | 2575 | -75 |
| | Laddu | 2675 | 2625 | +50 |
| | Rascut | 2325 | 2350 | -25 |
| Maharashtra | Lal Variety | 2650 | 2600 | +50 |
| Bangalore | Achhu | 2700 | 2700 | Unch |
| | Mudde | 3000 | 3000 | Unch |
| Belgaum | Mudde | 2500 | 2500 | Unch |
| Belthangadi | Yellow (Average) | 3100 | 3150 | -50 |
| Bijapur | Achhu | 2540 | - | - |
| Gulbarga | Other (Average) | 2350 | 2350 | Unch |
| Mahalingapura | Penti (Average) | 2830 | 2850 | -20 |
| Mandya | Achhu (Medium) | - | 2400 | - |
| | Kurikatu (Medium) | - | 2250 | - |
| | Other (Medium) | - | 2300 | - |
| | Yellow (Medium) | - | 2350 | - |
| Shimoga | Achhu (Average) | 2425 | 2375 | +50 |

| UP Private Mills Tender Rates | | | | |
|-----------------------------------|--------------|-----------|-----------|--------|
| Centre | Origin/Grade | 19-4-2012 | 18-4-2012 | Change |
| Dorala | M-30 | 3010 | 3010 | Unch |
| Mawana | M-30 | 3015 | 3015 | Unch |
| Modinagar | M-30 | 2990 | 2990 | Unch |
| Malakpur | M-30 | 2970 | 2970 | Unch |
| Simbholi | M-30 | 3080 | 3080 | Unch |
| Asamoli | M-30 | 3060 | 3060 | Unch |
| Dhanora | M-30 | 3030 | 3030 | Unch |
| Dhampur | M-30 | 2980 | 2980 | Unch |
| Kinnoni | M-31 | 3130 | 3130 | Unch |
| Budhana | M-31 | 3050 | 3050 | Unch |
| Thanabhavan | M-31 | 3030 | 3030 | Unch |
| UP Government Mills Tender Rates | | | | |
| Centre | Origin/Grade | 19-4-2012 | 18-4-2012 | Change |
| Morna | M-30 | 2940 | 2940 | Unch |
| Nanotha | M-30 | 2910 | 2910 | Unch |
| Nazibabad | M-30 | 2910 | 2910 | Unch |
| Ramlaxman | M-30 | - | - | - |
| Sakoti | M-30 | 2940 | 2940 | Unch |
| Amroha | M-30 | 2960 | 2960 | Unch |
| Chandpur | M-30 | 2940 | 2940 | Unch |
| UP Cooperative Mills Tender Rates | | | | |
| Centre | Origin/Grade | 19-4-2012 | 18-4-2012 | Change |
| Baghpat | M-30 | 2940 | 2940 | Unch |
| Gajraula | M-30 | 2920 | 2920 | Unch |
| BulandShahar | M-30 | 2960 | 2960 | Unch |
| Anupshahar | M-30 | 2920 | 2920 | Unch |

| Maharashtra Cooperative Mills Tender Prices | | |
|---|--------------|--------------|
| Centre | Origin/Grade | 18-04-2012 |
| SIDHENATH | S1.PP | 2775 |
| | M.PP | 2818 |
| D.Y PATIL | S1.PP | 2790.00 OPEN |
| SHARAD | S1.PP | 2783 |
| WARANA | S1.PP | 2823.00 OPEN |
| KUMBHI | S1.PP | 2798 |

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php>