

Sugar & Gur Domestic & International Fundamentals:

- Sugar prices surge sharply today in various key spot markets on Thursday. Removal of quantitative restrictions on sugar exports by government support the prices.
- Meanwhile, Government decide to remove quantitative restrictions over sugar exports and gives big relief to millers last evening. However, International sugar prices are already moving downwards continuously which might not give much opportunities to millers at present.
- Government also ruled out the "First come first serve" mechanism for sugar exports yesterday.
- India produces 25.10 million tons of sugar in Oct to April month till date which is 11% higher compared to last year same period. Out of total sugar production, UP mills produced 7 million tons of sugar and Maharashtra produced 8.83 million tons of sugar which are also 19% and 6% higher respectively compared to last year same period.
- Gur prices declined today owing to improved arrivals at higher quotes.
- Around 1418000 bags (40 kg each) has been stored in Muzaffar nagar cold storage till 30rd April 2012 which are 65000 bags higher compared to last year same period stock position of gur. Out of total gur stock position, there are around 980,000 of Chaku variety gur stored in Cold storage which are 64000 bags higher compared to previous same period

Outlook:

Sugar prices surge on change in export policies by government. We expect prices to move up in spot markets. However, improved cane availability for making gur and higher gur prices gives parity for kolhu makers for making gur which will increase the arrivals of gur in the mandi in the coming days.

NCDEX Sugar Futures

Contract	+/-	Open	High	Low	Close
May-12	15.00	2876.00	2920.00	2871.00	2875.00
June-12	13.00	2975.00	2975.00	2938.00	2941.00
July-12	15.00	2995.00	3000.00	2975.00	2980.00

Contract	Volume	Change	OI	Change
May-12	22440	16970	55480	5430
June-12	9960	7820	25420	1140
July-12	2000	1780	6100	770

Spread	May-12	June-12	July-12
Basis	75		
May-12		66	105
June-12			39

Stocks	Demat 02-05-12	In-Process 02-05-12	Total 02-05-12	FED 30-04-12
Kolhapur M	1905	0	1905	1905
Kolhapur S	20754	0	20754	20744
Sangli S	160	0	160	160

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Aug-12	569.8	569.8	559.5	560.9	-9.9
Oct -12	562.9	563.7	555.1	555.9	-8.9
Dec -12	570	570.1	563	564.1	-7.6

NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
July-12	-1.00	1208.00	1210.00	1196.00	1199.50
Sept-12	-2.00	1259.00	1259.00	1227.00	1229.00
Nov-12	10.00	1055.00	1074.50	1055.00	1074.50

Contract	Volume	Change	OI	Change
July-12	4710	-5560	13650	-520
Sept-12	620	-1190	4910	50
Nov-12	70	-50	170	-10

Spread	July-12	Sept-12	Nov-12
Basis	-49.5		
July-12		29.5	-125
Sept-12			-154.5

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
May-12	21.02	21.1	20.5	20.55	-0.4
July -12	21.39	21.51	20.96	20.99	-0.4
Oct-12	22.25	22.36	21.81	21.84	-0.39

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	460.00	-2.50
Raw Sugar C&F (\$/MT)	Black Sea	501.00	-2.50
Sugar White FOB (\$/MT)	Santos Port	560.50	+0.25

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Aug'12/Jul'12	108	-1
Oct'12/Oct'12	93	0.25
Dec'12/Oct'12	101.25	2.25

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Commodity	Price	Change
Brazil Domestic Sugar	21.77	
Brazil Anhydrous	19.79	
Brazil Hydrous	19.50	

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		03-5-2012	02-5-2012	
Sugar	Delhi - Grade M	3120	3080	+40
	Delhi - Grade S	3080	3065	+15
	Delhi - Grade L	3140	3115	+25
	UP- Khatuali Grade M	3100	3095	+5
	UP- Ramala Grade M	3040	3030	+10
	Mumbai –Grade M	3131	3116	+15
	Mumbai –Grade S	2946	2941	+5
	Kolhapur – Grade M	2950	2925	+25
	Kolhapur – Grade S	2850	2825	+25
	Vijayawada – Grade M	3240	3240	Unch
	Vijayawada- Grade S	3140	3140	Unch
	Nagpur – Grade S	3020	3000	+20
	Kolkata – Grade M	-	-	-
	Chennai - Grade S	2900	2900	Unch

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

Gur Spot Prices (Rs/Qtl)

Markets	Variety	03-5-2012	02-5-2012	Change
Muzaffar Nagar	Chaku (New Arrival)	2650	2800	-150
	Khurpa	2650	2750	-100
	Laddu	2850	2875	-25
	Rascut	2625	2525	+100
Maharashtra	Lal Variety	2800	2800	Unch
Bangalore	Achhu	2700	2700	Unch
	Mudde	3000	3000	Unch
Belgaum	Mudde	2600	2600	Unch
Belthangadi	Yellow (Average)	3100	3100	Unch
Bijapur	Achhu	2350	-	-
Gulbarga	Other (Average)	2350	2325	+25
Mahalingapura	Penti (Average)	2690	2740	-50
Mandya	Achhu (Medium)	2350	2300	+50
	Kurikatu (Medium)	2250	2200	+50
	Other (Medium)	2300	2300	Unch
	Yellow (Medium)	2300	2250	+50
Shimoga	Achhu (Average)	2525	2440	+85

UP Private Mills Tender Rates				
Centre	Origin/Grade	03-5-2012	02-5-2012	Change
Dorala	M-30	3050	2990	+60
Mawana	M-30	3055	3000	+55
Modinagar	M-30	3000	2975	+25
Malakpur	M-30	2990	2950	+40
Simbholi	M-30	3190	3135	+55
Asamoli	M-30	3170	3100	+70
Dhanora	M-30	3030	2985	+45
Dhampur	M-30	3010	2945	+65
Kinnoni	M-31	3210	3150	+60
Budhana	M-31	3170	3020	+150
Thanabhavan	M-31	3160	3010	+150
UP Government Mills Tender Rates				
Centre	Origin/Grade	03-5-2012	02-5-2012	Change
Morna	M-30	3000	2930	+70
Nanotha	M-30	2985	2920	+65
Nazibabad	M-30	2980	2920	+60
Ramlaxman	M-30	-	-	-
Sakoti	M-30	2980	2930	+50
Amroha	M-30	2990	-	-
Chandpur	M-30	2980	-	-
UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	03-5-2012	02-5-2012	Change
Baghpat	M-30	3000	2940	+60
Gajraula	M-30	2980	2915	+65
BulandShahar	M-30	3000	2940	+60
Anupshahar	M-30	2980	2915	+65

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	02-05-2012
ADINATH	S/30	2768.00-2771.00
SADASHIV	S/30	2790
	M/30	2821
CHIKODI	S/30	2828
AGASTI	S/30	2821
	M/30	2945
MULA	S.PP	2815
	S1.PP	2830.00-2835.00
RAHURI	S.PP	2790
	S1.PP	2831
SHREEPUR	S/30	2782
	M/30	2840
GHODGANGA	S/30	2800
KILLARI	S/30	2790
MURUM	S/30	2780
SIDHESWAR	S1.PP	2793
	OLD M.PP	2788
AMBEDKAR	S.PP	2798.00-2803.00
	S1.JK	2803.00-2805.00
NIPANI	S.PP	2773
	M.PP	2841.00 OPEN

HAMIDWADA	S1.JB	2815
WARANA	S1.PP	2818.00 OPEN
	S2.PP	2798
DATT SHIROL	S1.PP	2803.00 OPEN
JAWAHAR	S2.PP	2793
	M2.PP-M1.PP	2808.00-2843.00

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>

© 2005 Indian Agribusiness Systems Pvt Ltd.