

Sugar & Gur Domestic & International Fundamentals:

- Decline in sugar prices witnessed in key spot markets on Thursday as weak international sentiments and delay in notifying unrestricted sugar exports by government put weight on prices.
- Meanwhile, Food minister revealed that government will issue a notification over removal of quantitative restrictions over sugar exports later in the day. However, K V Thomas also said that they will cap sugar exports later if sugar export figures reach to 4 million tons for 2012-13 season.
- Standard Chartered Bank sees bearish in International sugar prices for short term and prices will move up after June. It is notable that factors like Brazilian new crop hit the market and India removed sugar export restrictions and good thai sugar exports figures kept the prices downwards in LIFFE markets.
- Gur prices steady today. It is noticeable that gur prices are hovering near to Rs 1080 per 40 kg as reported.
- Farmers to kolhus could increase the supply of gur in the mandi as expected that might pressurize the prices of gur in the coming days.
- Around 1407000 bags (40 kg each) has been stored in Muzaffar nagar cold storage till 7th May 2012 which are 26000 bags higher compared to last year same period stock position of gur. Out of total gur stock position, there are around 982,000 of Chaku variety gur stored in Cold storage which are 65000 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 kolhus 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	9.00	2897.00	2899.00	2865.00	2896.00
June-12	5.00	2920.00	2930.00	2915.00	2925.00
July-12	-1.00	2955.00	2959.00	2945.00	2952.00

Contract	Volume	Change	OI	Change
May-12	10300	-12490	51860	1170
June-12	5640	-2280	27400	-940
July-12	500	-1590	7800	0

Spread	May-12	June-12	July-12
Basis	54		
May-12		29	56
June-12			27

Stocks	Demat	In-Process	Total	FED
	09-05-12	09-05-12	09-05-12	07-05-12
Kolhapur M	1905	0	1905	1905
Kolhapur S	18764	0	18764	18764
Sangli S	160	0	160	160

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Aug-12	559.1	561.5	554.2	556.9	-1.5
Oct -12	553.8	555.2	549.1	551.2	-1.6
Dec -12	562.4	564.3	559	560.3	-1.7

NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
July-12	0.50	1196.50	1213.00	1192.00	1194.00
Sept-12	-2.00	1229.00	1240.00	1219.00	1221.50
Nov-12	-	-	-	-	-

Contract	Volume	Change	OI	Change
July-12	7980	2680	13140	-100
Sept-12	1530	1120	4660	-210
Nov-12	0	-20	170	0

Spread	July-12	Sept-12	Nov-12
Basis	-114		
July-12		27.5	-143.5
Sept-12			-171

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Jul-12	20.37	20.54	20.13	20.38	0.01
Oct-12	20.83	20.95	20.58	20.79	-0.02
Mar-13	21.66	21.88	21.52	21.7	-0.04

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	453.50	-1.50
Raw Sugar C&F (\$/MT)	Black Sea	494.50	-1.50
Sugar White FOB (\$/MT)	Santos Port	554.00	-1.50

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Aug'12/Jul'12	107.25	-2
Oct'12/Oct'12	92.75	-1
Dec'12/Oct'12	102	-1.5

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Commodity	Price	Change
Brazil Domestic Sugar	21.49	-0.04
Brazil Anhydrous	19.99	-0.1
Brazil Hydrous	19.39	-0.1

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		10-5-2012	09-5-2012	
Sugar	Delhi - Grade M	3160	3165	-5
	Delhi - Grade S	3100	3120	-20
	Delhi - Grade L	3180	3185	-5
	UP- Khatauli Grade M	3150	3160	-10
	UP- Ramala Grade M	3060	3065	-5
	Mumbai –Grade M	3156	3156	Unch
	Mumbai –Grade S	2986	2981	+5
	Kolhapur – Grade M	2950	2975	-25
	Kolhapur – Grade S	2850	2875	-25
	Vijayawada – Grade M	3320	3300	+20
	Vijayawada- Grade S	3220	3200	+20
	Nagpur – Grade S	3100	3100	Unch
	Kolkata – Grade M	-	-	-
	Chennai - Grade S	2920	2920	Unch

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

Gur Spot Prices (Rs/Qtl)				
Markets	Variety	10-5-2012	09-5-2012	Change
Muzaffar Nagar	Chaku (New Arrival)	2700	2700	Unch
	Khurpa	2700	2650	+50
	Laddu	2900	2900	Unch
	Rascut	2575	2625	-50
Maharashtra	Lal Variety	2925	-	-
Bangalore	Achhu	2700	2700	Unch
	Mudde	3000	2800	+200
Belgaum	Mudde	2700	2700	Unch
Belthangadi	Yellow (Average)	3100	3100	Unch
Bijapur	Achhu	2400	-	-
Gulbarga	Other (Average)	2310	2325	-15
Mahalingapura	Penti (Average)	2740	2740	Unch
Mandya	Achhu (Medium)	-	2600	-
	Kurikatu (Medium)	-	2300	-
	Other (Medium)	-	2350	-
	Yellow (Medium)	-	2500	-
Shimoga	Achhu (Average)	2400	2450	-50

UP Private Mills Tender Rates				
Centre	Origin/Grade	10-5-2012	09-5-2012	Change
Dorala	M-30	3090	3090	Unch
Mawana	M-30	3095	3095	Unch
Modinagar	M-30	3065	3065	Unch
Malakpur	M-30	3050	3050	Unch
Simbholi	M-30	3190	3190	Unch
Asamoli	M-30	3190	3190	Unch
Dhanora	M-30	3090	3090	Unch
Dhampur	M-30	3060	3060	Unch
Kinnoni	M-31	3290	3290	Unch
Budhana	M-31	3120	3120	Unch
Thanabhavan	M-31	3110	3110	Unch

UP Government Mills Tender Rates				
Centre	Origin/Grade	10-5-2012	09-5-2012	Change
Morna	M-30	3020	3020	Unch
Nanotha	M-30	3005	3005	Unch
Nazibabad	M-30	3000	3000	Unch
Ramlaxman	M-30	-	-	-
Sakoti	M-30	3020	3020	Unch
Amroha	M-30	3050	3050	Unch
Chandpur	M-30	3030	3030	Unch

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	10-5-2012	09-5-2012	Change
Baghpat	M-30	3020	3020	Unch
Gajraula	M-30	3000	3000	Unch
BulandShahar	M-30	3065	3065	Unch
Anupshahar	M-30	3000	3000	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	09-05-2012
SHREEPUR	S.PP-S1.PP	2841.00-2891.00
	M.PP	2966.00 OPEN

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