

Sugar & Gur Domestic & International Fundamentals:

- Sugar prices declined today in key spot markets on Tuesday owing to sluggish demand and mills slashed its tender rates in Maharashtra.
- A rake business of sugar has been reported from Karnataka for Delhi delivery at Rs 3060 per quintal.
- Sugarcane farmer's income from cane remuneration rises 40% in 2011-12 season. It is notable that crushing in UP is already over and mills already clear Rs. 14885 crore of cane payments and still around Rs. 3320 crore cane arrears of farmers pending which are likely to clear by mills by July 20th. Source: Business Standard.
- India sugar exports reached to 13.51 lac tons in the first six months of MY 2011-12 starting from October. Meanwhile, last year India shipped 28.14 lac tons of sugar in 2010-11 season. It is notable that recent removal over quantitative sugar exports restrictions might take the total sugar exports upto 4 million tons in 2011-12 as expected.
- Gur prices improved today due to lesser arrivals in Muzaffar nagar mandi. However, demand is sluggish at present for gur which gives clear indication of price decline in the short to medium term.
- Around 1412000 bags (40 kg each) has been stored in Muzaffar nagar cold storage till 21st May 2012 which are 49000 bags higher compared to last year same period stock position of gur. Out of total gur stock position, there are around 948,000 of Chaku variety gur stored in Cold storage which are 37000 bags higher compared to previous year same period.

Outlook:

Sugar prices are moving for short term due to sluggish demand. However, with around 2.5 million tons of sugar yet to be export in this marketing year, we expect prices will rebound in the coming days. However, gur fundamentals show bearishness in the prices for medium term.

NCDEX Sugar Futures

Contract	+/-	Open	High	Low	Close
June-12	-13.00	2864.00	2864.00	2845.00	2852.00
July-12	-19.00	2891.00	2894.00	2875.00	2885.00
Aug-12	-22.00	2920.00	2920.00	2905.00	2910.00

Contract	Volume	Change	OI	Change
June-12	6410	-2740	29340	-160
July-12	2530	650	12720	490
Aug-12	280	-30	3490	20

Spread	June-12	July-12	Aug-12
Basis	73		
June-12		33	58
July-12			25

Stocks	Demat 21-05-12	In-Process 21-05-12	Total 21-05-12	FED 21-05-12
Kolhapur M	1905	0	1905	1905
Kolhapur S	12682	0	12682	12682
Sangli S	160	0	160	160

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Aug-12	573.6	574.9	567.8	568.7	-1.6
Oct -12	555.8	556.4	550.8	551.6	-1.6
Dec -12	563.4	563.4	558	559.5	-1.4

NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
July-12	13.00	1121.00	1139.50	1119.50	1136.00
Sept-12	15.00	1144.00	1167.00	1144.00	1160.00
Nov-12	12.50	1022.50	1033.00	1022.50	1025.50

Contract	Volume	Change	OI	Change
July-12	8800	850	11430	-410
Sept-12	2780	410	5460	530
Nov-12	50	-60	220	0

Spread	July-12	Sept-12	Nov-12
Basis	-36		
July-12		24	-110.5
Sept-12			-134.5

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Jul-12	20.47	20.66	20.3	20.38	-0.09
Oct-12	20.8	20.98	20.68	20.73	-0.07
Mar-13	21.7	21.86	21.59	21.63	-0.05

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	451.25	
Raw Sugar C&F (\$/MT)	Black Sea	492.25	
Sugar White FOB (\$/MT)	Santos Port	548.00	

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Aug'12/Jul'12	119.5	1.5
Oct'12/Oct'12	94	0.75
Dec'12/Oct'12	101.5	0.75

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Commodity	Price	Change
Brazil Domestic Sugar	21.07	-0.05
Brazil Anhydrous	19.75	-0.02
Brazil Hydrous	18.39	-0.31

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		22-5-2012	21-5-2012	
Sugar	Delhi - Grade M	3140	3140	Unch
	Delhi - Grade S	-	3080	-
	Delhi - Grade L	3150	3160	-10
	UP- Khatauli Grade M	3130	3150	-20
	UP- Ramala Grade M	3020	3050	-30
	Mumbai –Grade M	3161	3161	Unch
	Mumbai –Grade S	2986	2996	-10
	Kolhapur – Grade M	2925	2950	-25
	Kolhapur – Grade S	2825	2850	-25
	Vijayawada – Grade M	3320	3320	Unch
	Vijayawada- Grade S	3220	3220	Unch
	Nagpur – Grade S	3070	3080	-10
	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	22-5-2012	21-5-2012	Change
Muzaffar Nagar	Chaku	2800	2700	+100
	Khurpa	2625	2625	Unch
	Laddu	2813	2813	Unch
	Rascut	2650	2638	+12
Maharashtra	Lal Variety	-	-	-
Bangalore	Achhu	2800	2800	Unch
	Mudde	3000	3000	Unch
Belgaum	Mudde	-	-	-
Belthangadi	Yellow (Average)	3100	3100	Unch
Bijapur	Achhu	2650	2658	-8
Gulbarga	Other (Average)	-	2350	-
Mahalingapura	Penti (Average)	2710	2730	-20
Mandya	Achhu (Medium)	2400	2450	-50
	Kurikatu (Medium)	2250	2250	Unch
	Other (Medium)	2300	2300	Unch
	Yellow (Medium)	2350	2350	Unch
Shimoga	Achhu (Average)	2600	2575	+25

UP Private Mills Tender Rates				
Centre	Origin/Grade	22-5-2012	21-5-2012	Change
Dorala	M-30	3065	3065	Unch
Mawana	M-30	3070	3070	Unch
Modinagar	M-30	3025	3025	Unch
Malakpur	M-30	3010	3010	Unch
Simbholi	M-30	3210	3210	Unch
Asamoli	M-30	3190	3190	Unch
Dhanora	M-30	3080	3080	Unch
Dhampur	M-30	2980	2980	Unch
Kinnoni	M-31	3240	3240	Unch
Budhana	M-31	3045	3045	Unch
Thanabhavan	M-31	3040	3040	Unch

UP Government Mills Tender Rates				
Centre	Origin/Grade	22-5-2012	21-5-2012	Change
Morna	M-30	2970	2970	Unch
Nanotha	M-30	-	-	-
Nazibabad	M-30	2980	2980	Unch
Ramlaxman	M-30	3010	3010	Unch
Sakoti	M-30	2990	2990	Unch
Amroha	M-30	3065	3065	Unch
Chandpur	M-30	3070	3070	Unch

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	22-5-2012	21-5-2012	Change
Baghpat	M-30	2970	2970	Unch
Gajraula	M-30	2980	2980	Unch
BulandShahar	M-30	2970	2970	Unch
Anupshahar	M-30	2980	2980	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	5/21/2012
MADHA	S.PP	2827
	M.PP	2892.00 OPEN
BHAVANI	S.JB	2878
SADASHIV	S.JB	28740.00-2846.00
	M.JB	2870.00-2875.00
RAYAT	S1.JB	2930
	M.JB	3030
KAGAL	S1.JK	2940
	M.JB	3020
LOKNATE	S.PP	2798
	M.PP	2853.00-2863.00
PRATAPGAD	S1.PP	2815
SIDHENATH	S1.P	2828.00 OPEN
	M.PP	2885.00 OPEN
AKLUJ	S1.JB	2860.00-2865.00
	M.JK	2891
MALEGAON	S.PP	2858
	S.JB	2888
PRAVARA	S1.PP	2855
	M.JK	2960
BIDRI	M.PP	2900.00 OPEN
	M.JK	2915.00 OPEN
WARANA	S1.PP	2853.00 OPEN

D.Y PATIL	S.PP	2820
	M.JB	2950

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