

Sugar & Gur Domestic & International Fundamentals:

- Steady to firm sentiments witnessed in various sugar spot markets on Friday.
- Sugarcane has been planted in 52.8 lac.hectares so far that is 5.88 lac.hectares. more than that in 2011-12, according to Pib.
- China might sell back raw sugar in global market which it has imported in last 5 months started from Jan to May 2012. Chinese exporters attracted towards rising raw sugar prices in global markets as rising port congestion in Brazil due to wet conditions support the prices of raw sugar.
- Government worried about the rainfall in key sugarcane producing states like Maharashtra and Karnataka where very less rains occurred till date which is affecting standing sugarcane crop yield.
- Presently market is keeping an eye over Brazil weather. If dry season remained in south center region in the coming days then it would increase the cane crushing as well as more shipments from Brazilian ports which might depress the prices of sugar in International markets which might affect the Indian export parity as expected.
- Gur prices improved today in Muzaffar nagar spot mandi.
- Around 1148000 bags (40 kg each) has been stored in Muzaffar nagar cold storage till 9th July 2012 which are 9000 bags higher compared to last year same period stock position of gur. Out of total gur stock position, there are around 796000 bags of Chaku variety and 125000 bags of Papdi variety gur stored in Cold storages.
- Meanwhile, demand of Chaku gur might get lowered owing to high sugar prices and ongoing Kavayatra which puts hurdles to transport gur from a place to another. Gur prices might trade steady to weak in the coming week.
- Last week around 66000 bags of gur sold out from Cold storages which indicate good demand of gur which have led the prices up during last week in Muzaffar nagar spot mandi.

Outlook:

Sugar prices are moving in a range with firm tone as markets are accessing the Brazilian sugar situation. Also, prices in gur moved in a range as kavayatra started in UP which have blocked the road routes resulted in demand weakening of gur in the benchmark mandi.

NCDEX Sugar Futures

| Contract | +/- | Open | High | Low | Close |
|----------|-----|------|------|------|-------|
| July-12 | 116 | 3061 | 3190 | 3061 | 3185 |
| Aug-12 | 82 | 3110 | 3201 | 3110 | 3189 |
| Sept-12 | 83 | 3168 | 3257 | 3168 | 3245 |

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|-------|--------|
| July-12 | 1160 | 940 | 1910 | -1380 |
| Aug-12 | 39230 | 17040 | 34790 | 4380 |
| Sept-12 | 10380 | 2900 | 16000 | 1180 |

| Spread | July-12 | Aug-12 | Sept-12 |
|---------|---------|--------|---------|
| Basis | 65 | | |
| July-12 | | 4 | |
| Aug-12 | | | 56 |

| Stocks | Demat 12-07-12 | In-Process 12-07-12 | Total 12-07-12 | FED 09-07-12 |
|------------|-------------------|------------------------|-------------------|-----------------|
| Kolhapur M | 2247 | 0 | 2247 | 3709 |
| Kolhapur S | 34 | 0 | 34 | 34 |
| Sangli S | - | - | - | - |

LIFFE Sugar Futures (In US\$/MT)

| Contract | Open | High | Low | Close | +/- |
|----------|-------|-------|-------|-------|------|
| Aug-12 | 617 | 620 | 601.2 | 608.4 | -7.3 |
| Oct -12 | 602 | 604.4 | 586.4 | 592.7 | -7.5 |
| Dec -12 | 607.6 | 609.9 | 592.4 | 598.4 | -8.5 |

NCDEX Gur Futures:

| Contract | +/- | Open | High | Low | Close |
|----------|------|------|------|------|-------|
| July-12 | 8.5 | 1178 | 1187 | 1177 | 1187 |
| Sept-12 | 11.5 | 1267 | 1280 | 1263 | 1276 |
| Nov-12 | 13 | 1145 | 1150 | 1136 | 1147 |

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|-------|--------|
| July-12 | 1000 | 650 | 580 | -730 |
| Sept-12 | 7990 | -340 | 10960 | 100 |
| Nov-12 | 150 | 20 | 440 | 50 |

| Spread | July-12 | Sept-12 | Nov-12 |
|---------|---------|---------|--------|
| Basis | 13 | | |
| July-12 | | 89 | |
| Sept-12 | | | -129 |

ICE Sugar Futures (In Cents/Pound)

| Contract | Open | High | Low | Close | +/- |
|----------|-------|-------|-------|-------|-------|
| Oct-12 | 22.88 | 23.04 | 22.16 | 22.46 | -0.42 |
| Mar-13 | 23.27 | 23.44 | 22.64 | 22.93 | -0.36 |
| May-13 | 23.07 | 23.21 | 22.5 | 22.76 | -0.35 |

Brazil Sugar Quotes (Kingsman US\$/MT)

| Commodity | Place | Price | Change |
|-------------------------|-------------|--------|--------|
| Raw Sugar FOB (\$/MT) | Santos Port | 508.00 | -7.25 |
| Raw Sugar C&F (\$/MT) | Black Sea | 551.00 | -7.25 |
| Sugar White FOB (\$/MT) | Santos Port | 600.25 | -4.00 |

Brazil White Sugar Premium (US\$/MT)

| Contract | Close | +/- |
|---------------|-------|------|
| Oct'12/Oct'12 | 113 | 0.5 |
| Dec'12/Oct'12 | 96.75 | 0.25 |
| Dec'12/Mar'13 | 86.5 | -1 |

Brazil Sugar/ Ethanol Prices (In Cents/lb)

| Commodity | Price | Change |
|-----------------------|-------|--------|
| Brazil Domestic Sugar | 20.79 | 0.17 |
| Brazil Anhydrous | 19.46 | 0.02 |
| Brazil Hydrous | 17.03 | 0.02 |

Sugar and Gur Prices at Key Spot Markets:

| Commodity | Centre | Prices (Rs/Qtl) | | Change |
|-----------|----------------------|-----------------|-----------|--------|
| | | 13-7-2012 | 12-7-2012 | |
| Sugar | Delhi - Grade M | 3260 | 3270 | -10 |
| | Delhi - Grade S | 3210 | 3200 | +10 |
| | Delhi - Grade L | 3310 | 3330 | -20 |
| | UP- Khatauli Grade M | 3260 | 3250 | +10 |
| | UP- Ramala Grade M | 3235 | 3185 | +50 |
| | Mumbai –Grade M | 3311 | 3311 | Unch |
| | Mumbai –Grade S | 3196 | 3191 | +5 |
| | Kolhapur – Grade M | 3250 | 3200 | +50 |
| | Kolhapur – Grade S | 3150 | 3100 | +50 |
| | Vijayawada – Grade M | 3500 | 3480 | +20 |
| | Vijayawada- Grade S | 3400 | 3380 | +20 |
| | Nagpur – Grade S | 3300 | 3300 | Unch |
| | Kolkata – Grade M | 3300 | 3300 | Unch |
| | Chennai - Grade S | 3270 | 3250 | +20 |

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

Gur Spot Prices (Rs/Qtl)

| | | 13-7-2012 | 12-7-2012 | |
|----------------|-------------------|-----------|-----------|------|
| | | | | |
| Muzaffar Nagar | Khurpa | 3100 | 3000 | +100 |
| | Laddu | - | - | - |
| | Rascut | 2888 | 2863 | +25 |
| | Sukha (Cold) | 3000 | 3000 | Unch |
| | Gila | 2963 | 2950 | +13 |
| Maharashtra | Lal Variety | 3050 | 3050 | Unch |
| Bangalore | Achhu | 3200 | 3200 | Unch |
| | Mudde | 3100 | - | - |
| Belgaum | Mudde | 2900 | 2900 | Unch |
| Belthangadi | Yellow (Average) | 2800 | 2800 | Unch |
| Bijapur | Achhu | 2690 | 2820 | -130 |
| Gulbarga | Other (Average) | 2650 | 2600 | +50 |
| Mahalingapura | Penti (Average) | 2880 | 2880 | Unch |
| Mandya | Achhu (Medium) | 2650 | 2650 | Unch |
| | Kurikatu (Medium) | 2300 | 2300 | Unch |
| | Other (Medium) | 2400 | 2450 | -50 |
| | Yellow (Medium) | 2550 | 2550 | Unch |
| Shimoga | Achhu (Average) | - | 3180 | - |

| UP Private Mills Tender Rates | | | | |
|-------------------------------|--------------|-----------|-----------|--------|
| Centre | Origin/Grade | 13-7-2012 | 12-7-2012 | Change |
| Dorala | M-30 | 3190 | 3190 | Unch |
| Mawana | M-30 | 3210 | 3210 | Unch |
| Modinagar | M-30 | 3200 | 3200 | Unch |
| Malakpur | M-30 | 3170 | 3170 | Unch |
| Simbholi | M-30 | 3300 | 3300 | Unch |
| Asamoli | M-30 | 3280 | 3280 | Unch |
| Dhanora | M-30 | 3160 | 3160 | Unch |
| Dhampur | M-30 | 3170 | 3170 | Unch |
| Kinnoni | M-31 | 3380 | 3380 | Unch |
| Budhana | M-31 | 3250 | 3250 | Unch |
| Thanabhavan | M-31 | 3245 | 3245 | Unch |

| UP Government Mills Tender Rates | | | | |
|----------------------------------|--------------|-----------|-----------|--------|
| Centre | Origin/Grade | 13-7-2012 | 12-7-2012 | Change |
| Morna | M-30 | 3140 | 3140 | Unch |
| Nanotha | M-30 | 3130 | 3130 | Unch |
| Nazibabad | M-30 | 3120 | 3120 | Unch |
| Ramlaxman | M-30 | - | - | - |
| Sakoti | M-30 | 3140 | 3140 | Unch |
| Amroha | M-30 | 3140 | 3140 | Unch |
| Chandpur | M-30 | 3130 | 3130 | Unch |

| UP Cooperative Mills Tender Rates | | | | |
|-----------------------------------|--------------|-----------|-----------|--------|
| Centre | Origin/Grade | 13-7-2012 | 12-7-2012 | Change |
| Baghpat | M-30 | 3160 | 3160 | Unch |
| Gajraula | M-30 | 3130 | 3130 | Unch |
| BulandShahar | M-30 | 3130 | 3130 | Unch |
| Anupshahar | M-30 | 3110 | 3110 | Unch |

| Maharashtra Cooperative Mills Tender Prices | | |
|---|--------------|-----------------|
| Centre | Origin/Grade | 12-07-2012 |
| INDIRA | S/30 | 3048 |
| NEPHAD | S2.PP | 3133 |
| SANGAMNER | S.PP | 3096.5 |
| HAMIDWADA | S1.JK | 3128 |
| SHILLOD | S.PP | 3133 |
| BHAWANI | S1.JB | 3098 |
| AKLUJ | S1.JB | 3033.00-3036.00 |
| | M.JB | 3083.00-3086.00 |
| MADHA | S.PP | 3068.00-3078.00 |
| SHRIPUR | S.PP | 3062 |
| | S1.PP | 3102 |
| KOLPEWADI | S1.PP | 3080 |
| VIKAS | S1.JK | 3118 |
| NATURAL | S1.PP | 3118 |
| LOKNATE | S.PP | 3065.00-3078.00 |

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.