

Sugar & Gur Domestic & International Fundamentals

- Steady to weak sentiments prevailed in key spot markets on Friday due to selling pressure by millers ahead of Sept 10 deadline.
- ISMA lowered sugar output estimate from 25 million tons to 24 million for 2012-13 season. Lower acreage and yield of sugarcane in Maharashtra state urge them to lowered the sugar output upto 6.7-6.8 million tons which is in tandem with Agriwatch estimate i.e. 6.0-6.3 million tons for the next Marketing year starting from October 2012.
- Olam sees 1.5 million tons sugar surplus in India in 2012-13.
- India is likely to become a net importer of sugar for 2013-14 season as farmers are shifting towards crops which needs less water compared to Sugarcane like Soybean.
- Gur prices moved up in Muzaffar nagar spot market owing to higher offtake.
- Around 680000 bags (40 kg each) of Gur has been stored in Muzaffar nagar cold storage till 3rd September 2012, which are 178000 bags higher compared to same period in last year, stock position. Out of total gur stock position, there are around 406400 bags of Chaku variety gur stored in Cold storages.
- This week around 91000 bags of gur (all varieties) has been lifted which is lower by 7000 bags lifted in the same period a year earlier

Outlook:

Prices of sugar are moving range bound with weak tone considering extension of sugar quota unsold from August month which is going to sold in the coming days. Also, weak international prices led by moderate monthly sugar exports from Brazil pressurize the sugar prices. We expect prices of sugar likely to remain range bound with weak tone in the coming days.

NCDEX Sugar Futures

Contract	+/-	Open	High	Low	Close
Sept-12	-25	3450	3450	3431	3442
Oct-12	-35	3560	3560	3525	3533
Nov-12	-44	3575	3575	3525	3536

Contract	Volume	Change	OI	Change
Sept-12	640	-1310	5220	-380
Oct-12	23020	-2770	40560	-1910
Nov-12	9630	5930	15400	-3480

Spread	Sept-12	Oct-12	Nov-12
Basis	58		
Sept-12		91	94
Oct-12			3

Stocks	Demat 06-09-12	In-Process 06-09-12	Total 06-09-12	FED 03-09-12
Kolhapur M	621	1349	1970	-
Kolhapur S	611	49	660	41
Sangli S	-	-	-	-

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Oct-12	556.8	556.8	545.4	545.9	-6.3
Dec-12	553.8	553.9	545	545.5	-5.5
Mar-13	546.2	546.5	539	540.2	-3.5

NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
Sept-12	Unch	1158.5	1158.5	1154	1156
Nov-12	-5	1213.5	1213.5	1205.5	1210
Dec-12	-3.5	1165	1170	1160.5	1166.5

Contract	Volume	Change	OI	Change
Sept-12	700	-330	4800	-70
Nov-12	3200	-940	6450	200
Dec-12	570	-220	2220	260

Spread	Sept-12	Nov-12	Dec-12
Basis	4		
Sept-12		54	10.5
Nov-12			-43.5

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Oct-12	19.18	19.27	18.81	18.87	-0.14
Mar-13	19.82	19.9	19.48	19.52	-0.21
May-13	19.96	19.96	19.63	19.67	-0.16

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	418.00	Unch
Raw Sugar C&F (\$/MT)	Black Sea	445.00	Unch
Sugar White FOB (\$/MT)	Santos Port	516.25	Unch

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Oct'12/Oct'12	132.5	1.25
Dec'12/Oct'12	131	2
Dec'12/Mar'13	115	3

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Commodity	Price	Change
Brazil Domestic Sugar	20.1	-0.37
Brazil Anhydrous	18.71	-0.05
Brazil Hydrous	17.57	-0.04

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		07-9-2012	06-9-2012	
Sugar	Delhi - Grade M	3750	3750	Unch
	Delhi - Grade S	3720	3700	+20
	Delhi - Grade L	3780	3780	Unch
	UP- Khatauli Grade M	3790	3790	Unch
	UP- Ramala Grade M	-	-	-
	Mumbai –Grade M	3736	3771	-35
	Mumbai –Grade S	3562	3586	-24
	Kolhapur – Grade M	3500	3525	-25
	Kolhapur – Grade S	3400	3425	-25
	Vijayawada – Grade M	4080	4080	Unch
	Vijayawada- Grade S	3900	3900	Unch
	Nagpur – Grade S	3700	3700	Unch
	Kolkata – Grade M	3720	3790	-70
	Chennai - Grade S	3650	3650	Unch

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

Gur Spot Prices (Rs/Qtl)				
		07-9-2012	06-9-2012	
Muzaffar Nagar	Khurpa	2800	2700	+100
	Laddu	-	-	-
	Rascut	2813	2800	+13
	Sukha (Cold)	2900	2875	+25
	Gila	2850	2825	+25
Maharashtra	Lal Variety	3100	3050	+50
Bangalore	Achhu	3000	3000	Unch
	Mudde	3200	3200	Unch
Belgaum	Mudde	3000	3000	Unch
Belthangadi	Yellow (Average)	2900	2900	Unch
Bijapur	Achhu	2800	2750	+50
Gulbarga	Other (Average)	3100	3300	-200
Mahalingapura	Penti (Average)	2980	2990	-10
Mandya	Achhu (Medium)	2450	2450	Unch
	Kurikatu (Medium)	2250	2250	Unch
	Other (Medium)	2350	2350	Unch
	Yellow (Medium)	2400	2400	Unch
Shimoga	Achhu (Average)	3150	3200	-50

UP Private Mills Tender Rates				
Centre	Origin/Grade	07-9-2012	06-9-2012	Change
Dorala	M-30	3700	3700	Unch
Mawana	M-30	3720	3720	Unch
Modinagar	M-30	3680	3680	Unch
Malakpur	M-30	3660	3660	Unch
Simbholi	M-30	3780	3780	Unch
Asamoli	M-30	3780	3780	Unch
Dhanora	M-30	3680	3680	Unch
Dhampur	M-30	-	-	-
Kinnoni	M-31	3820	3820	Unch
Budhana	M-31	-	-	-
Thanabhavan	M-31	-	-	-

UP Government Mills Tender Rates				
Centre	Origin/Grade	07-9-2012	06-9-2012	Change
Morna	M-30	3590	3590	Unch
Nanotha	M-30	3560	3560	Unch
Nazibabad	M-30	3560	3560	Unch
Sakoti	M-30	3570	3570	Unch
Amroha	M-30	3640	3640	Unch
Chandpur	M-30	3620	3620	Unch

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	07-9-2012	06-9-2012	Change
Baghpat	M-30	3590	3590	Unch
Gajraula	M-30	3560	3560	Unch
BulandShahar	M-30	-	-	-
Anupshahar	M-30	3560	3560	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	06-09-2012
SOMESHWAR	S1.JB	3415
	M.JK	3515
ZIRI BURHANPUR	S.JK	3560
	M.JK	3610
AADINATH	S.PP	3448.00 OPEN

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>