

Sugar & Gur Domestic & International Fundamentals

- Steady to weak sentiments recorded in key sugar spot markets on Wednesday as weak demand and declining international sugar prices weigh on the domestic sugar.
- Brazil raw sugar premium is trading at 10 points above New York March contract while Thai raw sugar premium Hipol or high polarization is trading steady at 65 points to New York March contract. It is also notable that Pakistan FOB prices traded at \$530 up by \$10 from prior week for lower 100 ICUSMA grade which is competing from Indian white sugar prices.
- Brazil sugar output for 2012-13 will reach to 37.66 million tons lower by around 1 million tons forecasted in August, according to Agriculture ministry.
- Brazilian mills crushed around 28.52 million tons of cane in the second half of November as reported.
- Sugar output might get affected in UP after delay in sugarcane crushing by millers. Also, there is a worry about the increasing global sugar surplus and Indian raw sugar import figures which might increase tension in the minds of mill owners. After getting a hike in cane prices in UP, cost of producing sugar from cane eventually increased and if this import picking up the pace with peak arrival time then UP millers no longer get the parity for sure that might discourage some small sugar producing units to withdraw cane crushing operations for this season as expected.
- Gur prices declined today in Muzaffar nagar mandi despite of lower arrivals compared to prior day. It is notable that gur prices are likely to hover in a range with weak tone until cane crushing by millers picked up the pace in UP.
- It is notable that availability of cane in Maharashtra is pretty less this year which might affect the gur production. Also, shift of various jaggery producing units from UP to MP likely to downgrade gur production. Long term prospects of gur became bullish after considering above facts.

Outlook:

Sugar prices rebound after the hike in SAP of sugarcane in UP. Prices likely to trade range bound in the coming week.

NCDEX Sugar Future Quotes:

Contract	+/-	Open	High	Low	Close
Dec-12	-13	3290	3360	3255	3255
Jan-13	5	3291	3303	3285	3300
Feb-13	6	3335	3347	3333	3345

Contract	Volume	Change	OI	Change
Dec-12	270	-3210	9940	-3890
Jan-13	3670	1280	31810	250
Feb-12	920	200	12020	410

Spread	Dec-12	Jan-13	Feb-13
Basis	75		
Dec-12		45	90
Jan-13			45

Stocks	Demat 11.12.12	In-Process 11.12.12	Total 11.12.12	FED 10.12.12
Kolhapur M	13527	200	13727	14295
Kolhapur S(old)	315	0	315	315
Kolhapur S(New)	900	0	900	900
Sangli S	-	-	-	-

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Mar-13	507.9	509.9	504.8	508.2	2.2
May-13	513.3	515.5	510.7	514.3	2.2
Aug-13	516.5	518.4	514.5	517.5	1.9

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Dec-12	0.5	1073	1082.5	1073	1082.5
Jan-13	2	1136.5	1138	1128	1137.5
March-13	2.5	1153.5	1157.5	1148.5	1156.5

Contract	Volume	Change	OI	Change
Dec-12	630	50	1070	-130
Jan-13	2800	-1060	6580	210
March-13	770	-1130	6260	40

Spread	Dec-12	Jan-13	Mar-13
Basis	-56.5		
Dec-12		55	74
Jan-13			19

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Mar-13	18.78	18.94	18.7	18.88	0.12
May-13	19	19.06	18.86	19.02	0.11
Jul-13	19.02	19.17	18.98	19.13	0.11

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	410.25	
Raw Sugar C&F (\$/MT)	Black Sea	437.25	
Sugar White FOB (\$/MT)	Santos Port	501.25	

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Mar'13/Mar'13	93.5	2
May'13/May'13	95.25	-0.75
Aug'13/July'13	96	-1

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Contract	Close	+/-
Dec'12	18.51	-0.01
Mar'12	19.99	0.75
May'12	18.2	0.38

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		12-Dec-12	11-Dec-12	
Sugar	Delhi - Grade M	3520	3550	-30
	Delhi - Grade S	3500	3500	Unch
	Delhi - Grade L	3570	3580	-10
	UP- Khatauli Grade M	-	3550	-
	UP- Ramala Grade M	3220	3270	-50
	Mumbai –Grade M	3601	3542	59
	Mumbai –Grade S	3382	3391	-9
	Kolhapur – Grade M	3330	3350	-20
	Kolhapur – Grade S	3230	3250	-20
	Vijayawada – Grade M	3750	3750	Unch
	Vijayawada- Grade S	3630	3630	Unch
	Nagpur – Grade S	-	3500	-
	Kolkata – Grade M	-	-	-
	Chennai - Grade S	3300	3300	Unch

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

Gur Spot Prices (Rs/Qtl)

		12-Dec-12	11-Dec-12	Change
Muzaffar Nagar	Chaku New	2563	2663	-100
	Arrivals	1000	10000	-9000
	Khurpa	2450	2450	Unch
	Laddu	2613	2613	Unch
	Rascut	-	-	-
MP	Kareli (Narsinghpur)		2200-2350	-
	Gadarwara (Narsinghpur)	-	-	-
Maharashtra	Lal Variety	-	-	-
	Kolhapur	3500	3200	300
Bangalore	Achhu	3200	3200	Unch
	Mudde	3400	3400	Unch
Belgaum	Mudde	3000	-	-

Belthangadi	Yellow (Average)	-	3400	-
Bijapur	Achhu	-	3000	-
Gulbarga	Other (Average)	3125	3125	Unch
Mahalingapura	Penti (Average)	2980	2950	30
Mandya	Achhu (Medium)	-	-	-
	Kurikatu (Medium)	-	-	-
	Other (Medium)	-	-	-
	Yellow (Medium)	-	-	-
Shimoga	Achhu (Average)	3400	3400	Unch

Gur Prices are in INR/Quintal. (1 Quintal=100 kg), Arrivals in bags (40kg each)

UP Private Mills Tender Rates				
Centre	Origin/Grade	12-Dec-12	11-Dec-12	Change
Dorala	M-30	3480	3480	Unch
Mawana	M-30	3490	3490	Unch
Modinagar	M-30	3445	3445	Unch
Malakpur	M-30	3420	3420	Unch
Simbholi	M-30	3540	3540	Unch
Asamoli	M-30	3540	3540	Unch
Dhanora	M-30	3440	3440	Unch
Dhampur	M-30	3430	3430	Unch
Kinnoni	M-31	3600	3600	Unch
Budhana	M-31	3600	3600	Unch
Thanabhavan	M-31	3600	3600	Unch
UP Government Mills Tender Rates				
Centre	Origin/Grade	12-Dec-12	11-Dec-12	Change
Nazibabad	M-30	3150	3150	Unch
Sakoti	M-30	3200	3200	Unch
Amroha	M-30	-	-	-
Chandpur	M-31	-	-	-
UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	12-Dec-12	11-Dec-12	Change
Baghpat	M-30	3200	3200	Unch
Gajraula	M-30	3170	3170	Unch
BulandShahar	M-30	-	-	-
Anupshahar	M-30	3150	3150	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	11-Dec-12
VRIDESHWAR	OLD S.JB	3258
PRAVARA	S.PP	3255
	M.PP	3345
SIDHANATH	S.JK	3185

	S1.PP	3195
BHAIRAVNATH VIHAL	S.JB	3270
	S.JB	3300

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