

Sugar & Gur Domestic & International Fundamentals

- Mixed sentiments recorded in key sugar spot markets on Thursday as markets could not find adequate cues to decide the prices either side.
- Brazil sugar waiting at ports rises 3.1% this week compared to prior week as vessels are headed for Black sea and Malaysia.
- Maharashtra sugar millers had crushed around 197 lac tons of cane till 16th Dec 2012 and produced around 19.77 lac tons of sugar with an average recovery of around 10.02 percent. However, in total around 156 mills had started their crushing operations till 16th Nov which was 9 mills less compared to same period last year.
- International sugar prices broke key support level over higher sugar and cane production in Brazil.
- Thai raw sugar premium stood at 60 to 70 points this week down from 75 to 80 points over ICE March raw sugar future contract.
- Government has notified sugar export for 2012-13 for the third consecutive year.
- Gur prices increased today in Muzaffar nagar spot markets on Wednesday owing to lower arrivals.
- Meanwhile, prices of gur should remain range bound in the coming week. However, we are expecting a sharp hike in gur prices after Makar Sakranti due to expected demand. Also, lower cane production in Maharashtra kept the gur production at lower side this year.

Outlook:

Sugar prices are steady at the moment and waiting for some cues. However, severe downside from this level not seems possible as imported raw sugar and domestic prices are close enough.

NCDEX Sugar Future Quotes:

| Contract | +/- | Open | High | Low | Close |
|----------|-----|------|------|------|-------|
| Jan-13 | -9 | 3276 | 3278 | 3248 | 3257 |
| Feb-13 | -17 | 3307 | 3307 | 3287 | 3290 |
| Mar-13 | -24 | 3347 | 3355 | 3330 | 3337 |

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|-------|--------|
| Jan-13 | 4930 | -5210 | 23130 | -1290 |
| Feb-13 | 4770 | 40 | 19030 | 1520 |
| Mar-13 | 2270 | 1570 | 6310 | 350 |

| Spread | Jan-13 | Feb-13 | Mar-13 |
|--------|--------|--------|--------|
| Basis | 23 | | |
| Jan-13 | | 33 | 80 |
| Feb-13 | | | 47 |

| Stocks | Demat | In-Process | Total | FED |
|-----------------|----------|------------|----------|----------|
| | 26.12.12 | 26.12.12 | 26.12.12 | 24.12.12 |
| Kolhapur M(old) | 13390 | 0 | 13390 | 13690 |
| Kolhapur S(old) | 319 | 0 | 319 | 369 |
| Kolhapur S(New) | 927 | 0 | 927 | 927 |
| Sangli S | - | - | - | - |

LIFFE Sugar Futures (In US\$/MT)

| Contract | Open | High | Low | Close | +/- |
|----------|-------|-------|-------|-------|------|
| 13-Mar | 19.05 | 19.22 | 19.03 | 19.05 | 0.03 |
| 13-May | 19.18 | 19.38 | 19.18 | 19.22 | 0.05 |
| 13-Jul | 19.36 | 19.54 | 19.35 | 19.4 | 0.05 |

NCDEX Gur Future Quotes:

| Contract | +/- | Open | High | Low | Close |
|----------|------|--------|------|--------|--------|
| Jan-13 | 4 | 1109 | 1114 | 1108.5 | 1113 |
| March-13 | 3.5 | 1134 | 1137 | 1132.5 | 1135.5 |
| July-13 | -0.5 | 1208.5 | 1245 | 1208.5 | 1245 |

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|------|--------|
| Jan-13 | 1830 | -510 | 5670 | 30 |
| March-13 | 1420 | -790 | 8640 | 60 |
| July-13 | 30 | -170 | 570 | -10 |

| Spread | Jan-13 | Mar-13 | July-13 |
|--------|--------|--------|---------|
| Basis | -13 | | |
| Jan-13 | | 22.5 | 132 |
| Feb-13 | | | 109.5 |

ICE Sugar Futures (In Cents/Pound)

| Contract | Open | High | Low | Close | +/- |
|----------|-------|-------|-------|-------|------|
| 13-Mar | 518.5 | 519 | 516.2 | 516.5 | -1.8 |
| 13-May | 523.3 | 523.3 | 520.9 | 521.2 | -1.8 |
| 13-Aug | 526 | 526 | 524.2 | 525 | -1.7 |

Brazil Sugar Quotes (Kingsman US\$/MT)

| Commodity | Place | Price | Change |
|-------------------------|-------------|--------|--------|
| Raw Sugar FOB (\$/MT) | Santos Port | 411.50 | -0.25 |
| Raw Sugar C&F (\$/MT) | Black Sea | 440.50 | -0.25 |
| Sugar White FOB (\$/MT) | Santos Port | 492.75 | Unch |

Brazil White Sugar Premium (US\$/MT)

| Contract | Close | +/- |
|----------------|-------|-----|
| Mar'13/Mar'13 | 93.5 | |
| May'13/May'13 | 96 | |
| Aug'13/July'13 | 96.5 | |

Brazil Sugar/ Ethanol Prices (In Cents/lb)

| Contract | Close | +/- |
|----------|-------|-----|
| Dec'12 | 18.42 | |
| Mar'12 | 19.69 | |
| May'12 | 17.92 | |

Sugar and Gur Prices at Key Spot Markets:

| Commodity | Centre | Prices (Rs/Qtl) | | Change |
|-----------|----------------------|-----------------|-----------|--------|
| | | 27-Dec-12 | 26-Dec-12 | |
| Sugar | Delhi - Grade M | 3480 | 3475 | 5 |
| | Delhi - Grade S | 3420 | 3400 | 20 |
| | Delhi - Grade L | 3510 | 3500 | 10 |
| | UP- Khatauli Grade M | - | - | - |
| | UP- Ramala Grade M | 3160 | 3190 | -30 |
| | Mumbai –Grade M | 3496 | 3496 | Unch |
| | Mumbai –Grade S | 3326 | 3346 | -20 |
| | Kolhapur – Grade M | 3280 | 3300 | -20 |
| | Kolhapur – Grade S | 3180 | 3200 | -20 |
| | Vijayawada – Grade M | 3660 | 3660 | Unch |
| | Vijayawada- Grade S | 3530 | 3530 | Unch |
| | Nagpur – Grade S | 3450 | 3450 | Unch |
| | Kolkata – Grade M | 3570 | - | - |
| | Chennai - Grade S | 3150 | 3150 | Unch |

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

Gur Spot Prices (Rs/Qtl)

| | | 27-Dec-12 | 26-Dec-12 | |
|----------------|--------------------|-----------|-----------|------|
| | | | | |
| Muzaffar Nagar | Chaku New | 2750 | 2675 | 75 |
| | Arrival(Chaku New) | 7000 | 3000 | 4000 |
| | Khurpa | 2575 | 2538 | 37 |
| | Laddu | 2700 | 2700 | Unch |
| | Rascut | - | - | - |
| Maharashtra | Lal Variety | 2825 | 2825 | Unch |
| Maharashtra | Kolhapur | 3400 | 3400 | Unch |
| Bangalore | Achhu | 3400 | 3400 | Unch |
| | Mudde | 3500 | 3500 | Unch |
| Belgaum | Mudde | 3000 | 3000 | Unch |
| Belthangadi | Yellow (Average) | 3200 | 3200 | Unch |
| Bijapur | Achhu | 3090 | - | - |

| | | | | |
|----------------------|-------------------|------|------|-------------|
| Gulbarga | Other (Average) | 2950 | 2850 | 100 |
| Mahalingapura | Penti (Average) | 3110 | 3040 | 70 |
| Mandya | Achhu (Medium) | 2750 | 2750 | Unch |
| | Kurikatu (Medium) | 2450 | 2450 | Unch |
| | Other (Medium) | 2550 | 2550 | Unch |
| | Yellow (Medium) | 2750 | 2700 | 50 |
| Shimoga | Achhu (Average) | 3150 | 3250 | -100 |

UP Private Mills Tender Rates

| Centre | Origin/Grade | 27-Dec-12 | 26-Dec-12 | Change |
|-------------|--------------|-----------|-----------|-------------|
| Dorala | M-30 | 3400 | 3400 | Unch |
| Mawana | M-30 | 3410 | 3410 | Unch |
| Modinagar | M-30 | 3385 | 3385 | Unch |
| Malakpur | M-30 | 3340 | 3340 | Unch |
| Simbholi | M-30 | 3480 | 3480 | Unch |
| Asamoli | M-30 | 3470 | 3470 | Unch |
| Dhanora | M-30 | 3370 | 3370 | Unch |
| Dhampur | M-30 | 3340 | 3340 | Unch |
| Kinnoni | M-31 | 3510 | 3510 | Unch |
| Budhana | M-31 | 3405 | 3405 | Unch |
| Thanabhavan | M-31 | 3405 | 3405 | Unch |

UP Government Mills Tender Rates

| Centre | Origin/Grade | 27-Dec-12 | 26-Dec-12 | Change |
|-----------|--------------|-------------|-------------|-------------|
| Morna | M-30 | 3130 | 3130 | Unch |
| Nanotha | M-30 | 3100 | 3100 | Unch |
| Nazibabad | M-30 | 3060 | 3060 | Unch |
| Sakoti | M-30 | - | - | - |
| Amroha | M-30 | - | - | - |
| Chandpur | M-31 | 3330 | 3330 | Unch |

UP Cooperative Mills Tender Rates

| Centre | Origin/Grade | 27-Dec-12 | 26-Dec-12 | Change |
|--------------|--------------|-----------|-----------|-------------|
| Baghpat | M-30 | 3150 | 3150 | Unch |
| Gajraula | M-30 | 3100 | 3100 | Unch |
| BulandShahar | M-30 | - | - | - |
| Anupshahar | M-30 | 3070 | 3070 | Unch |

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.