

HIGHLIGHTS FOR December 2010

BIRLA SUGAR

INDUSTRY SNAP SHOTS

India is likely to take a decision on allowing unrestricted sugar exports by the third week of December and the country may ship the sweetener on a monthly basis, the farm minister said on Tuesday. India, the world's top consumer and the biggest producer behind Brazil, swung back to being an exporter this year after importing large quantities in 2009 because of a drought. The provisional estimated sugar production of about 245 lakh tonne along with the provisional estimated carry over stock of about 51 lakh tonne from last sugar season 2009-10 is adequate to meet the estimated domestic demand of about 225 - 230 lakh tonne during the current sugar season 2010-11 in the country.

Sugar companies will be looking forward to a brighter outlook in the October 2010 to September 2011 period after the drubbing they got last year. Around this time last year, sugar producers were sitting pretty as sugar prices were shooting through the roof on predictions of a lower cane crop. Sugar prices crossed Rs.40 per Kg level in January. But they subsequently crashed, as the industry had underestimated the actual cane output, which turned out to be nearly 50% higher than expected. Besides, the government clamped down on sugar firms through several policy measures to keep sugar prices under check.

The Forward Markets Commission (FMC) has finally granted permission to the Indian commodity bourses to re-launch sugar contracts for futures trading from 27 December. The ban on the commodity was imposed in May 2009 when sugar prices were rising. The government allowed the ban on sugar futures to lapse on 30 September 2010. After two years of lower production, India is expected to produce 24.5 million tonnes (mt) of sugar in 2010-11, in excess of the country's demand of 23 mt.

OTHER PLAYERS

India's sugar production expected to be 25-25.5 MT: DSCL

DCM Shriram Consolidated (DSCL), a leading sugar manufacturer, today said that production of the sweetener in the country is likely to be around 25-25.5 million tonnes in the current season starting last October.

Bajaj Hindustan a good pick in the sugar space: Ashwani Gujral, Market Strategist

The problem with sugar is that Indian government may not let the sugar companies take full benefit of these high prices. Still on declines, like we had one yesterday, it is worthwhile getting into the sugar space. Bajaj Hindustan and Renuka remain the best bets and we should see levels of 125 on Renuka and 135 to 140 on Bajaj Hindustan. Also, sugar derivatives like Praj could see 3 figures soon. But overall, do not expect the sugar stocks to do too much because there will be all kinds of restrictions and all kinds of measures to control the price. So from here, these are trading buys, these are not great investment buys because when commodity prices are at highs, stock prices also tend to make tops before the commodity tops out. So people need to remember that you need to buy sugar when the times are bad, not when times are good.

Very positive on Renuka Sugar: Jagdish Malkani, Member, NSE

Jagdish Malkani: Well sugar is continuing to breach 30 year highs. Literally it has been a non-stop rise barring a few blips in the last month I would say and even now on my way to the studio I think 34.50 or thereabouts for raw sugar, 830, these are really breathtaking figures. This is largely due to short fall in Brazil due to weather conditions and in particular Renuka is a one that really would get my vote. It is bordering around that Rs.100 precarious mark and would be a crucial point to watch. Renuka is more of a Brazilian company than an Indian company in terms of crushing so it is really an international play and really gets that whole bounce of the international prices while the Indian prices are constrained by political factors etc. Renuka is going to have excellent results, it will pay off a lot of their debt and this stock is a one to watch in months and possibly could well be among the stars of 2011.

INDIAN SUGAR INDUSTRY

Decision on sugar exports by Dec 3rd wk

The government is likely to take a decision on allowing sugar exports by the third week of December, and the country may ship the sweetener on a monthly basis, farm minister Sharad Pawar said on Tuesday. It will be a monthly policy depending on production and availability, Pawar told reporters. The government had banned sugar exports after prices rose sharply.

Govt could approve OGL sugar exports in tranches

India, the world's number 2 sugar producer after Brazil, could approve "open general licence" sugar exports in three tranches of 500,000 tonnes each in December, January and February, Vivek Saraogi, president of the Indian Sugar Mills Association (ISMA), told Reuters on Tuesday.

Govt. to make available 17.08 lakh tonnes of sugar in December

The Government has decided to make available 17.08 lakh tonnes of sugar in December, which it said would be sufficient to meet the internal demand for the commodity during the month. An official press release said here today that the quantity would include levy sugar quota of 2.08 lakh tonnes and non-levy sugar quota of 15 lakh tonnes. The non-levy sugar will include normal quota of 14.13 lakh tonnes, 0.47 lakh tonnes of white/refined sugar processed out of imported raw sugar during September and October and 0.40 lakh tonnes of unlifted levy sugar of 2007-08 and earlier sugar seasons.

Govt to take call on regular sugar exports at end of Dec

The government will take a decision on permitting regular exports of sugar towards the end of December, following an assessment of total production of the sweetener in the 2010-11 crop year. "I will take the review of the production report (sugar) in the third week of December and then will take a decision (on exports)," Food and Agriculture Minister Sharad Pawar told reporters here.

Sugar illegally lifted from railway yard

A strange case of lifting booked railway consignment from Fatuha Freight Terminal Yard under Danapur division of East Central Railway (ECR) has come to light. The railways has lodged an FIR in the matter against a private company which allegedly lifted the booked consignment containing sugar bags.

Mills, farmers differ on cane price

Sugarcane growers and sugar mill owners in north Karnataka differ over the issue of fixing cane price for the sugar season 2010-11. Both the mills owners and farmers have failed to arrive at a uniform price for the current price across the state. While the sugar mill owners had offered to pay Rs 1,500 to Rs 1,700 per metric tonne of cane for the current season, the sugarcane farmers demanded payment of Rs 2,200 per tonne as first advance. Farmers across north Karnataka districts like Belgaum, Bijapur, Bagalkot, Gadag, Bidar and

Gulbarga have been demanding Rs 2,200 per tonne as well as payment of second installment of Rs 200 per tonne for the last sugar season. In many places, farmers had stopped supply of cane to the mills.

Sugar prices steady in thin trade

Sugar prices continued to remain at previous levels in the national capital today following ample stocks position as compared to demand. Marketmen said steady inflow of supply against scattered buying mainly kept sugar prices trade around last levels. Release of free sale sugar quota for December month was better than expectation and created ample supply in the market.

Centre to consult states on sugar decontrol after Par session

Government today said it will start the consultation process with states on the issue of decontrolling the sugar sector after the current Parliament session "When the Parliament session will be over, it (consultation with states) will start," Food and Agriculture Minister Sharad Pawar said on the sidelines of an event here. The discussion will be held with sugar producing states alone. "There is no need to talk with all states. Only Punjab, Haryana, Uttar Pradesh, Maharashtra, Karnataka, Tamil Nadu and Andhra Pradesh -- it has to be discussed with these states," he said. The Parliament's winter session, which will end on November 13, has remained paralysed for last three weeks over the issue of demand for Joint Parliamentary Committee (JPC) probe into 2G spectrum scam.

ET in the classroom: What are sugar futures?

ET deciphers and tells about various aspects of sugar futures. Like any futures contract, sugar futures allow the sale or purchase of sugar at a predetermined price for delivery at a future date. Futures allow physical market stakeholders, including producers, traders, processors, importers and exporters, to hedge themselves against the price volatility and risk. Apart from hedgers, speculators participate in a futures market by taking on the risk that hedgers seek to cover themselves against.

Sugar finish lower on reduced offtake

Sugar prices declined moderately at the Vashi Wholesale market here today owing to subdued offtake from traders and bulk consumers amid adequate stock position. Medium sugar quality (M-30) fell by Rs 26/30 per quintal to Rs 2,900/3,001 from last Saturday's

closing level of Rs 2,926/3,031. Small sugar quality (S-30) also slipped by Rs 17/29 per quintal to Rs 2,871/2,925, as compared with Rs 2,900/2,942 last weekend.

Sugar export call not before month-end

The government is unlikely to take a call on freeing sugar exports before the end of December, an official at the food and consumer affairs ministry said requesting anonymity. India is the world's second-biggest producer of sugar.

Eighty one sugar mills seek cane development loan: Thomas

The government today said it has received applications from 81 sugar factories across various states for cane development loan in the last two years. "Applications from 81 sugar factories for sanction of cane development loan were received from the state governments duly recommended during 2009-10 and 2010-11 (up to November)," Minister of State for Food and Agriculture K V Thomas told the Lok Sabha in a written reply. As per the Sugar Development Fund Act, 1982, and rules made there under, cane development loans are given to sugar factories for various purposes, including for rearing of seed nursery, incentive to cultivators to switch over to improved varieties and for development of irrigation schemes in their assigned cane areas.

Moderate recovery in medium sugar on good demand

Prices of medium sugar variety recovered modestly at the Vashi Wholesale market here today on fresh demand from retailers and bulk consumers. While, Small sugar variety witnessed a mixed pattern of trading on alternate bouts of buying and selling. Medium sugar quality (M-30) rose by Rs 10/15 per quintal to Rs 2,915/3,011 from overnight closing level of Rs 2,900/3,001.

CBEC turns down textiles ministry move to pack sugar in jute bags

In a setback to the jute industry, the Central Board of Excise and Customs (CBEC) has turned down a proposal made by the Union Ministry of Textiles (MOT) to restrict about 450 odd sugar mills across the country from packing sugar in plastic bags replacing jute bags during the current Rabi season. This is despite the recent decision of the Cabinet Committee on Economic Affairs (CCEA) which had ruled out any dilution in the Jute Packaging Materials Act (JPMA) of 1987 that makes it mandatory for packing of 100 per cent of food grains and sugar produced in India in jute bags.

Govt to decide sugar import duty after examining 2010-11 yields

The Centre will only decide on whether to re-impose duty on sugar imports after it verifies the sugar production for the 2010-11 sugar year, food and consumer affairs minister Sharad Pawar said. Should production be pegged at around 24mt, around half a million tonne of sugar could be opened up for exports, officials recently indicated. This, even if sugar production estimates were much lower than the early industry projections of 25.5mt. The ban on sugar futures trading has also been allowed to lapse by the FMC in end October.

Sugar factory to come up in district

An integrated sugar complex will come up in the district with an investment of Rs 400 crore. This was disclosed here at a press conference by BLDE association president, Babaleshwar MLA and Basaveshwar Sugars Ltd director M B Patil on Friday. The bhumi puja of the factory will be held on December 12 at 10.30 am at the factory near Karjol on NH 218, which is 29 km from Bijapur.

Sugar factory funds under HC scanner

Politicians heading co-operative sugar factories may have some explaining to do. The Bombay High Court on Monday hinted at scrutinising how thousands of crores of rupees distributed to these factories through packages were being utilised. A division bench of justice BH Marlapalle and justice UD Salvi was hearing a public interest litigation (PIL) filed by Pune-based Ashok Kulkarni, a project consultant for sugar factories. "We will have to scrutinise how the money distributed through yearly packages are utilised by these sugar factories," the judges said.

More sugar companies start power generation

Six more sugar factories in the state have ventured into co-generation to contribute more than 100 MW power to the state grid. With it, the total contribution of power from the sugar factories in the state has reached 343.5 MW.

Sugar prices fell on reduced offtake

Sugar prices softened by Rs 85 per quintal in the national capital today on selling from mills amid reduced offtake by stockists and bulk consumers. Marketmen said ample supply from millers against slackness in demand from stockists as well as softdrink and ice-cream makers pulled down the prices. Lower demand from retailers also influenced the trading sentiment, they added. Mill delivery medium and second grade prices lost from Rs 2,900-

3,000 and Rs 2,890-3,025 to close at Rs 2,815-3,000 and Rs 2,800-2,975 per quintal. Sugar ready medium and second grade prices declined from Rs 3,050-3,200 and Rs 3,025-3,175 to end at Rs 3,025-3,185 and Rs 3,000-3,150 per quintal.

Sugar mills go high-tech to beat labour shortage

To tackle labour shortage, Maharashtra sugar mills have decided to take up mechanised farming and invested Rs 10 crore to buy 28 cane harvesting machines. While 14 big machines were bought from Holland at Rs 70-80 lakh each, 14 smaller machines were imported from China at Rs 10 lakh each.

Sugar mills fulfil 53% of ALS export obligation

Even though sugar millers have been demanding permission to export sugar under the open general license (OGL), but official figures show that till now only 53% of their export obligation under advance license scheme has been fulfilled. The government recently allowed the export of about 11.05 lakh tonne of sugar through the Advance Licence Scheme (ALS), under which mills are required to meet an equivalent export obligation by March, 2011.

Small sugar weakens on reduced demand

Small sugar prices slipped further at the Vashi Wholesale market here today owing to lack of demand from stockists and bulk consumers amidst ample supply positions. Meanwhile, medium sugar maintained a steady trend in the absence of market-moving factors.

Small sugar quality (S-30) moved down by Rs 10 per quintal to Rs 2,920/2,951 from Monday's closing level of Rs 2,920/2,961.

Raj: Will agitate for sugarcane farmers

The Maharashtra Navnirman Sena (MNS) has warned the state government that it will launch a statewide agitation if the government fails to increase the amount of relief offered to the sugarcane industry. The MNS has demanded higher procurement prices for sugarcane and also increased wages for labourers who cut cane.

Harvest in full swing, sugarcane farmers hope for better prices

With the issue of sugar prices having been resolved in Sangli and Kolhapur, the major sugarcane growing regions in the state, harvest has begun in full swing across the state. While in Sangli, farmers have been promised by mill owners a first instalment of Rs 1,900,

to be followed by Rs 100 later in January, some mills in Kolhapur have not yet declared the final price.

CAG to audit co-op sugar factories

The Bombay High Court has asked the comptroller and auditor general (CAG) of India to prepare an audit report of the management of co-operative sugar factories in the state for the period April 1, 2007 to March 31, 2010.

FMC likely to relaunch sugar futures next week

The Forward Markets Commission (FMC), the commodity markets regulator, may allow derivatives exchanges to re-introduce sugar futures next week. "We have convened a meeting with stakeholders of the sugar industry by the end of this week to get their feedback. Upon getting their response, we may allow exchanges to restart futures trading in sugar," said FMC Chairman B C Khatua.

Sugar mills in Punjab expect better season this year

With an increase in the sugarcane area, sugar mills in the state expect the crushing season to be longer this year as compared to the previous year. They expect the crushing season will last for 100 days against last year's 65-80 days. Also, mills expect the actual utilisation of their cane crushing capacity to be higher in the ongoing season.

India to review sugar export plans as output rebounds

India, the world's second-biggest sugar producer, plans to review its export policy in January amid projections that output will top domestic demand for the first time in three years. The government approved shipments of 500,000 metric tons for the year to September 30, Farm Minister Sharad Pawar told reporters in New Delhi yesterday. Procedures for sales outside the country will be completed in 10 days and a review of export plans will take place at the end of next month, Pawar said.

Sugar firms' fortunes set to turn sweeter

Permission to export sugar will lead to higher realisations and margins, signalling a potential upgrade in earnings. The share prices of the country's sugar producers, Bajaj Hindusthan, Balrampur Chini and Shree Renuka Sugars, jumped 2-5 per cent on Thursday after the government's move the previous day allowing producers to export half a million

tonnes of sugar. The development is positive for sugar companies, considering they can now take advantage of the relatively high international sugar prices.

Producers want to export more sugar

Sugar producers want the government to allow more quantity of the sweetener to be exported as output this year is likely to be higher than the demand and can lead to the softening of prices. The Centre had on Wednesday allowed the sector to export 500,000 tonnes of sugar under the open general licence route. The decision comes at a time production is estimated to be anywhere between 24.5 million tonnes (mt) and 25.5mt this year. Besides, there is over 50 lakh tonnes that have been carried forward from last year.

Sugar up as government allow exports

Sugar prices hardened by Rs 50 per quintal in the national capital today on hectic buying, influenced by reports of fresh government steps to allow export of sweetener. Marketmen said sugar rose in the market after the government's decision to allow export of five lakh tonnes of white sugar. However, better-than-expected crops production this year capped the upsurge in sugar prices to some extent.

Vijaysinh Mohite-Patil, new chief of sugar co-ops federation

Former deputy chief minister Vijaysinh Mohite-Patil, who had been sidelined in the party for some time, breathed a sigh of relief when none other than Nationalist Congress Party (NCP) president Sharad Pawar suggested his name for the post of the president of the Maharashtra State Co-operative Sugar Factories Federation. One of the top leaders of the NCP, Mohite-Patil was being sidelined since he was removed from the post of deputy chief minister.

One held with brown sugar worth 3.78 lakh

Officials of the anti-narcotics cell (ANC) of the Pune police crime branch arrested a suspect and seized 252 gm of brown sugar, worth Rs 3.78 lakh, from him on Saturday. The suspect has been identified as Shiva Shreelal Charkavarti (26) of Ramabai slums, Chinchwad, originally from Satna in Madhya Pradesh.

Sugar export to increase profits for farmers

Plagued with a problem of plenty, the sugar sector now brims with a new hope for getting rid of its excess production after partial liberalisation of sugar export policy in the

country. In its latest decision, the Centre has allowed export of 5 lakh tonnes for the current month and also assured for further increase in its quantum depending on the overall production of sugar. Notably, this comes close on the heels of the TOI report in which the need for export of sugar was emphasised in view of its excess production.

Just 5LT export fails to halt global price rise as sugar hits 30-yr high

India's decision to allow export of just 5 lakh tonnes of sugar has pushed global prices of the sweetener to a 30-year high. India is the world's second largest producer of sugar. The export restriction announced last week, despite good production at home, has created an apprehension that supplies will remain tight until February-March when the Brazilian crop arrives in the market. Brazil is the world's largest sugar producer. Global prices are also driven by concerns that production in Brazil will fall to an 11-year low this season.

HP asks Centre to increase its foodgrain and sugar allocation

In order to meet its demand for foodgrains and sugar, the Himachal Pradesh government has asked the Central government to increase allocation for above-poverty line families.

Unpaid sugar mill workers block highway

As SAD(B) leader and Youth Akali Dal Patron Bikramjit Singh Majithia was listing out the achievements of the government led by his party in Faridkot on Tuesday, workers of the local sugar mill and their families blocked the Faridkot -Kotkapura road. They say they have not been paid salaries by the Punjab Government for nearly 25 months.

Sugar output forecast unchanged for' 10-11

The food ministry on Tuesday kept the sugar production estimate unchanged at 24.5 million tonne for 2010-11 season, up by nearly 30% from last year.

The estimate was based on the inputs received from all the state cane commissioners. The government's forecast is lower by 1 million tonne from industry estimates of 25.5 million tonne. Sugar production of India, the world's second largest producer, stood at 19 million tonne in 2009-10 season.

Go long on sugar stocks for short term: Deven Choksey

For short term momentum play, one can play sugar favourably on the long side but whether one would have enough amount of confidence to ride on this particular commodity, I am not too sure. The international factors at this point of time are favouring

Indian sugar exports and because of the higher production happening into the local markets, at the same time, the companies like Shree Renuka and Bajaj Hindustan , both are very well positioned in this particular category.

Early sugarcane crushing at Aska Sugar factory

The Aska Cooperative Sugar Industries Limited (ACSIL) in south Orissa's Ganjam district, the oldest sugar factory of the state, has started crushing of sugarcane from Thursday, about a fortnight earlier than the previous year.

The crushing of sugarcane has begun in the wake of mounting demand from the sugarcane farmers for early crushing of cane to ensure higher recovery percentage and better earning. Even though the sugarcane crop has been damaged due to the untimely rains during the first week of December in some areas, the factory authorities have set a target to crush around 75,000 tonnes of sugarcane during the current season. In the last crushing season, the factory had crushed only 43,606 tonnes of sugarcane and produced 37,895 quintals of sugar with 8.84 per cent of recovery.

India set to restart sugar futures trading

India, the second biggest producer of sugar will resume the sugar-futures trading soon. The trading was earlier banned by the Govt in order to curb the rising prices. Forward Market Commission, chairman B.C. Khatua said that the starting date will be announced in a day or two. There will be six contracts for the delivery months January to June, he said. India's production was forecasted to reach 25.5 million metric tons in the season started from Oct. 1, the highest in three years, according to the Indian Sugar Mills Association.

Momentum seen in sugar stocks: Ashwani Gujral

Well it has re-emerged quite sometime back because from 40 cents sugar has reached 33 now so now is the time that public is again beginning to get excited in sugar and all the positive news is coming out like futures are getting re-introduced etc. So the momentum is with sugar right now and it could easily appreciate another 10% to 15% before it kind of tops out.

Sugar contracts re-list on exchanges amid strong volume

The government, fighting to control double-digit inflation and protect its core voter base among the poor, has a track record of intervening to control prices. Its latest move was to cut import duties and ban exports of onions.

Sugar stocks up on robust outlook

Shares of sugar companies were trading higher on strong sugar price outlook, three dealers said. Macquarie in a recent note said sugar prices are likely to remain firm in the first half of 2011 because of recent production losses in key sugar producing regions.

Sugar futures trading to restart tomorrow

Futures trading in sugar will resume tomorrow after a gap of one-and-a-half years, with the country's top two national exchanges MCX and NCDEX launching new contracts. The government had banned sugar futures trading on May 27, 2009, to control rising prices of the sweetener. The ban was valid till September 30 this year, following which it was allowed to lapse by the regulator, the Forward Markets Commission (FMC). Sugar production is estimated to rise to 24.5 million tonnes in the 2010-11 sugar year, as against 19 million tonnes in the previous year. Annual demand has been pegged at 23 million tonnes. Buoyed by increased supplies, retail sugar prices have declined sharply from their peak of nearly Rs 50 a kg in mid- January to Rs 30 a kg at present in the national capital. India is the world's second-biggest producer and the largest consumer of sugar. Same news has also appeared in The Financial Express, Business Standard and The Hindu Business Line.

Sugar prices rule steady

Sugar prices on Vashi wholesale market ruled steady on Friday (24 December 2010), with spot and mill tender rates witnessing very thin movement on month-end poor demand. According to the Bombay Sugar Merchants Association, spot sugar rates were: S-grade Rs. 2,960-3,021 (Rs 2,960-3,021) and M-grade Rs. 3,011-3,081 (Rs 3,011-3,081). Naka delivery rates were: S-grade Rs. 2,940-2,970 (Rs 2,940-2,975) and M-grade Rs. 2,980-3,030 (Rs 2,975-3,015).

Sugar prices set to spurt on global, domestic cues

Domestic sugar prices, already on an upward trajectory, are set to accelerate given the explosive global conditions which are likely to feed into domestic market soon.

Currently, the sweetener trades in the wholesale market at around Rs 3,000 a quintal, but the emerging trend points to a 10-15 per cent rise in the next 2-3 months. Retail prices may well touch Rs 40 a kg. To be sure, there is no shortage of sugar. Opening stocks (35 lakh tonnes) plus production (currently projected at 245-250 lakh tonnes) are sufficient to take care of domestic demand, estimated at a healthy 235-240 lakh tonnes.

It is possible the imminent price spurt may remain muted over the next 6-8 weeks because of the peak crushing season. But once crushing activity tapers off, prices are sure to surge, as always. It is essential that caution is exercised in resuming sugar futures. If left unchecked, the Government may be forced to suspend trading once again. It is necessary the Government explains whose benefit it seeks to serve by opening up sugar futures when some of its other physical market actions such as exports are going to create market tightness.

Modalities for 5 lakh tone sugar export worked out

The government has worked out the modalities for export of 5,00,000 tonne of sugar by mills under open general license (OGL) in the current crop year that started in October.

Sources said as per the formula each mill will get to export 2.5% of its annual average production of the last three years. If a mill has not been operational for the last three years, then its annual average production of last two years or one year will be taken into account. India's sugar production as per government estimate in 2010-11 is expected to be around 24.5 million tonne due to rise in production in state like Maharashtra and Uttar Pradesh, while consumption is projected to be around 23 million tonne, leaving a surplus of around 1.5 million tonne.

Poor demand holds sugar on leash

Sugar prices on the Vashi wholesale market ruled steady on Friday, with spot and mill tender rates witnessing very thin movement on month-end poor demand.

On Thursday, evening 10/12 mills came forward with tender offer and sold small quantity about 25,000-30,000 bags in the range of Rs 2,860-2,920 for S-grade and Rs 2,990-2,960 a quintal for M-grade. Announcement of January sugar quota next week will weigh on the sentiment.

Sugar remains flat due to lack of buying support

The wholesale sugar market ended on a flat note today, as prices moved in a tight range on restricted buying against adequate stocks and settled around previous levels.

Market analysts said adequate stocks against restricted demand kept sugar prices around previous levels. The government issuing 17 lakh tonnes free sale sugar quota for January and 2.18 lakh tonnes quota for leavy sugar, this also helped in keeping the prices unchanged. The following were today's quotation in Rs per quintal.

Sugar futures return with a bang

Sugar futures resumed on Monday on Indian commodity exchanges after a gap of more than a year, with a big bang, garnering almost the same volumes as it did before futures were suspended in the wake of rising prices. Sources said strong investors' interest amid rising prices lead to good volumes in all the exchanges where it has been traded. The most-active sugar M-grade for January delivery on the NCDEX was trading at Rs 3,044 per 100 kg, after hitting a contract high of Rs 3,079. "There has been significant participation in the sugar futures as traders, processors and everyone concerned with the trade was waiting for the market to restart," Vijay Kumar, chief business officer of National Commodity and Derivatives Exchange of India told FE.

Sugar futures check spot bears

Sugar prices on the Vashi wholesale market ruled steady on Monday despite announcement of higher quota for January and month-end sluggish retail demand. Resumption of futures trading at higher quotes arrested the decline in spot prices, traders said. Mr Mukesh Kuwadia, Secretary of Bombay Sugar Merchants Association (BSMA), said: "On Friday, Government declared 17 lakh tonnes of free sale sugar (excluding levy quota) quota for the month of January, higher than December-2010 quota of 15 lakh tonnes and 14.3 lakh tonnes last January. Traders were expecting a sharp fall in prices due to sluggish month-end retail demand. But the re-launch of sugar futures arrested the bearish mood and price movement in the ready market was range-bound. January futures were higher by over Rs 100 a quintal compared with spot. Because of the higher quota, fresh demand from mills also decreased sharply.

Cane payments to rise 20% to 55k cr in 2010-11

Sugarcane farmers could be earning up to 55,000 crore in the 2010-11 sugar year, almost one-fifth more than the 46,000 crore they received in the previous year, thanks primarily to higher support prices and a rise in crop area in key producer states of Maharashtra, Uttar Pradesh and Karnataka.

In the 2009-10 sugar year, too, sugarcane prices paid by some mills hit a record level of upto 280/qtl in UP despite a much lower FRP and an SAP set between 165 and 170/qtl, mainly on the back of poor cane output. That set off competition among mills to acquire cane.

Bajaj Hindusthan Sugar to stop trading from Dec 30

Shares of Bajaj Hindusthan Sugar & Industries (BHSIL) will stop trading on the bourse from December 30 as the company will be merged with another group firm Bajaj Hindusthan. As per the scheme of merger, shareholders of Bajaj Hindusthan Sugar will be given one share of BHL for every five shares held in the company. BHL holds 75 per cent stake in BHSIL. The company has fixed December 31 as the record date for the merger. In June, the boards of directors of the two companies have approved the merger.

Global sugar market shows signs of further tightening

Trading in sugar futures resumed on Monday, after being closed by the government in May 2009. Unfairly blamed for causing volatility in sugar prices, the resumption in futures trading is a right step in a free market. But the timing is puzzling. Though India's sugar crop is expected to be good, with a low risk of a supply shock, sugar prices have been rising steadily. The sugar crushing season is underway. This is also the time when estimates of sugar production, notorious for being off the mark, will start making the rounds. Last year, the final output was around 21 million tonnes (mt) compared with a low estimate of about 13 mt.

Sugar futures succumb to profit booking, down up to 1.5%

Snapping a two-session gaining streak, sugar prices fell by nearly 1.5 per cent to Rs 3,180 per quintal in futures trade on the Multi commodity Exchange (MCX) today. At the MCX counter, sugar for delivery in January-month contract fell sharply by 48, or 1.50 per cent, to Rs 31,80 per quintal, with a business turnover of 70 lots. The sugar for delivery in February-month contract lost Rs 32, or 1 per cent, to Rs 3,245 per quintal, clocking a business turnover of 16 lots. The MCX has restarted trading in six contracts for the month of January to June after the market regulator lifted ban after a gap of one and a half years. The government had banned sugar futures in May 2009 as part of its measure to control prices of the sweetener. Analysts said today's fall in sugar prices at futures market was attributed to profit booking by speculators after recording gains in the past two sessions.

Private cos set their sights on M'ashtra co-op sugar fiefdom

Competition in Maharashtra .s sugar industry is intensifying as more than 100 applications have been filed for setting up new factories. Maharashtra's sugar industry is dominated by cooperative mills and they are worried over the possible fight for sugarcane in the near future. However, all the companies having the certificate may not set up a sugar mill. The companies need to file an industrial entrepreneur's memorandum with the Union industry ministry and also to deposit `1 crore. An official in the cooperative sugar industry association said that only around 50 companies have taken the second step.

The name of Bajaj Hindusthan, a leading private player in UP, is also being discussed in the list of IEM holders The new sugar mills will come up at a time when over 30 cooperative sugar mills are likely to be shut in the next two years.

Sugar price up 12% since Oct, may rise higher

Retail sugar prices have risen 8-12% since October, despite normal production, on the back of rising wholesale prices. And the decision to allow speculative trading in sugar can create a further spike in prices in the short to medium term. In Delhi, sugar prices have increased between Rs 2 per kg over the last two months. Reason: Between October 15 and December 27, wholesale prices of the sweetener jumped Rs 282 per quintal (100 kg), or nearly 10%. India, the world's largest sugar consumer and second-largest producer, resumed futures trading in sugar after 19 months on Monday after the lifting of a government ban.

Futures lead sugar higher

Sugar prices on the Vashi wholesale market increased by Rs 20-25 a quintal on Tuesday taking cues from a firm trend at mills level, higher future prices on commodity exchanges and expectation of increase in fresh retail/local demands for new month.

Traders now await the Government's stance on stock limits which expires on December 31.If it goes; there will be chance for further rise in prices in ready as well as futures markets.

UP co-op sugar units get relief

The Uttar Pradesh Government today decided to waive the prerequisite Government guarantee and a fee for a cash credit of up to Rs 1,414.17 crore required for its co-operative sugar mills.

These involve 23 units, including those under UP Cooperative Sugar Mills Federation for the current crushing season.

Sugar turns bearish as Centre extends stock limit

Sugar prices on the Vashi wholesale market witnessed a mixed trend on Wednesday. On the spot, prices for S-grade were steady but M-grade declined by Rs 10 on sharp fall of Rs 15-20 in Naka delivery rates. Tender rates fell by Rs 10-15. Arrivals and dispatches were at usual levels. Due to stock limit, big players, speculators are keeping away from the market. Arrivals of sugar in the market was about 48/50 truckloads (each 100 kgs), dispatches to local retail traders were at 45/46 truckloads.

Quota for mills delays sugar import decision

The food ministry's much-awaited notification on sugar exports of five lakh tonnes could be issued soon, along with details on the quota allotted to individual sugar mills for export. This is the first time in 15 years that the Indian sugar industry is in a position of surplus when the global market is tight in supplies and prices are firm. The export notification was ready to roll, but working out the quota for individual mills was taking time, a government official told ET. The quota for individual mills is being worked on the basis on their production for the last three years. Sugar production is expected to outstrip domestic consumption this year (October 2010-September 2011) for the first time in three years.

Robust sugar output to sweeten futures trade

Sugar prices rose mainly because of the drop in output in 2008-09 (October-September) by almost 45% (14.5 mt against 26.5 mt in 2007-08). Sugarcane production for 2010-11 is estimated at 3,249 lakh tonnes against 2,777 lakh tonnes in 2009-10.

The Forward Markets Commission (FMC) has finally granted permission to the Indian commodity bourses to re-launch sugar contracts for futures trading from 27 December. The ban on the commodity was imposed in May 2009 when sugar prices were rising. The government allowed the ban on sugar futures to lapse on 30 September 2010. After the lapse of the ban, the regulator, however, said it will not permit an immediate re-launch of sugar futures without knowing the country's likely sugar production in 2010-11. After two years of lower production, India is expected to produce 24.5 million tonnes (mt) of sugar in 2010-11, in excess of the country's demand of 23 mt. Trading in sugar futures was banned in

May 2009 for six months to curb spiralling sugar prices. Later, the ban was extended till September 2010. Sugar prices rose mainly because of the drop in output in 2008-09 (October-September) by almost 45% (14.5 mt against 26.5 mt in 2007-08). Sugarcane production for 2010-11 is estimated at 3,249 lakh tonnes against 2,777 lakh tonnes in 2009-10.

UP's sugary success: Bitter for the rest?

Driving through the hinterland of western Uttar Pradesh this winter, one may miss the aroma of jaggery being made the traditional way on kolhu. A 10-year revolution is responsible for the development, and witness to the tale is sundry tractor trolleys bucking over dirt tracks. However, this revolution in sugar production in Delhi's neighbourhood has not sweetened the kitchen budget. With the Government all set to restart sugar export in 2011, the price may again head north. In the past 10 years, there has been a phenomenal increase in sugarcane production and setting up of mills to match the spiral in sugar prices. Uttar Pradesh alone is expected to produce 7.5 million tonne this year. "India is biggest producer of sugar after Brazil but its biggest consumer worldwide," says Singh.

Sugar prices drop on stock limit extension

The government's move to extend the stock holding limit on sugar by another three months seems to have its desired impact on prices, with NCDEX M-grade sugar futures dropping by an average Rs 20 per quintal since the last three days. The government had extended the stock limit on sugar on Tuesday till March 2011 to prevent hoarding and black marketing. Sources said future prices which had moved up in the last few weeks in anticipation that order preventing holding excess stocks would expire on December 31, dropped after the extension. NCDEX January M-grade sugar futures which was trading at around Rs 3,044 per quintuple on Monday, dropped by almost Rs 22 per quintal by Wednesday.

Weak futures turn sugar bitter

Sugar prices on the Vashi wholesale market declined on Thursday (30 December 2010) by Rs. 10-15 per quintal on weak futures market and lack of local demand.

According to the Bombay Sugar Merchants Association, spot sugar rates were: S-grade Rs. 2,966-3,021 (Rs 2,975-3,021) and M-grade Rs. 3,001-3,071 (Rs 3006-3,071).

Naka delivery rates were: S-grade Rs. 2,940-2,960 (Rs 2,935 -2,970) and M-grade was Rs. 2,970-3,000 (Rs 2,975-3,000).

Sugar may ride the speculation wave in 2011

If tight global sugar market fundamentals have propelled prices to record levels, emerging speculative interest in the commodity may further boost the bullish sentiment.

Although international sugar prices displayed some weakness on Monday following a 25 basis point increase in Chinese interest rates over the weekend, the loss has been more than erased last two days. Domestic prices have already touched Rs 3,000 a quintal, up at least 10 percent from levels two months ago. There is further upside potential to the extent of 12-15 percent taking wholesale market closer to Rs 3,500 a quintal.

Sugar: On upward spiral

Sugar prices have been inching up steadily since October, gaining 19.7 per cent to Rs 3,212.5 a quintal (M-60 variety) from the start of October till December 29. It is being debated that sugar may be at a risk of seeing a further upside, with resumption of futures trading. With better cane acreage, cane production for 2010-11 is estimated at 324.9 million tonnes during the current sugar year (October-September) as against last year's 277.7 mt, according to Angel Broking reports. The production is anticipated to be close to 25 mt, higher than the last sugar year's 18.8 mt. Besides, demand is anticipated to be close to production levels. While Bajaj Hindustan saw a surge of seven per cent in December, Shree Renuka Sugar and Balrampur Chini have gained 14 per cent each since the start of December on the back of improving prospects and resumption of trading in the futures segment recently.

Nod to raise cooperative loans for sugar factories

Cooperative sugar factories seeking a hike in loans from cooperative banks have some good news, with the state government on Wednesday giving the nod to increase it.

The decision was taken at a meeting in Mumbai attended by Chief Minister Prithviraj Chavan, Chairman, Maharashtra State Sugar Co-operative Federation, Vijaysingh Mohite-Patil, Sugar Director, Maharashtra, Rajendra Chavan, representatives of the co-operative banks and other senior officials. Banks loan factories 85 per cent of the total payment they make to farmers. The increased price of sugar in the domestic open market had prompted the demand by factories. Recently, the cost of a quintal of sugar went up from Rs 2500 to Rs 2,800 and factories had been accordingly demanding an increase of Rs 300 per quintal from the Maharashtra State Co-operative (MSC) Bank.

After onions, will sugar prices spurt?

Within days of onion prices touching very high levels, drawing a howl of protest from across the country, apprehensions of a sharp spike in sugar prices in the coming weeks or months have surfaced. The culprit this time could be the resumption of futures trading in sugar from Monday after the Centre's green signal. Already, sugar prices have risen 10-12 percent in the last two months. However, since the price rise has been gradual, the issue hasn't attracted much attention. India recently allowed export of five lakh tonnes of sugar. More exports could be allowed in the coming days. Then, futures trading have been allowed from Monday. Sources recall that late last year and early this year, retail sugar prices had spiked after Union minister Sharad Pawar issued a statement that sugar prices could rise due to shortage of the commodity. Futures trading allow traders to enter into contracts for buying/selling a commodity at the pre-agreed prices at a particular date in future. At present, future market prices of sugar are higher than spot prices (current prices in wholesale market), indicating the likelihood of a price spurt. In the past, futures trading have been blamed for rise in prices of various commodities as the futures market are said to be vulnerable to speculation and manipulation.

INTERNATIONAL SUGAR INDUSTRY

Kenya: Minister Asked to End Silence On Funds Row

Nairobi Sugarcane farmers have accused Agriculture Minister Sally Kosgei of ignoring their plight.

Cameroon: Government Launches "Sugar Week"

The campaign to sell sugar directly to consumers at FCFA 675 per kilogramme started this monday, November 29, in Yaounde.

Public weighs in on sugar beet plan

A USDA plan that would allow farmers to continue growing Roundup Ready sugar beets under strict regulation is receiving plenty of support and criticism.

Kenya: Tough Year Ahead for Sugar Millers Due to Cane Scarcity

Nairobi The sugar industry is likely to face tough times next year due to a shortage of cane.

Sweet year ahead for sugar firms

Sugar companies are expected to improve profitability in the current year beginning October (the sugar year is from October to September) on lower levy obligation, higher ethanol prices and improved cogeneration.

Indian government delays decision on sugar exports

The Indian government has decided to delay its decision on sugar exports to the third week of December. According to official sources the country is likely to allow more sugar exports if the output in the current marketing year exceeds the government estimate of 24.5 mln tonnes, white value. India has already allowed exports of 1.5 mln tonnes of sugar in phases through March. This quantity includes sugar to meet the obligation of mills to export white sugar against tax-free imports of raws done earlier.

Iran tenders for Brazilian raw sugar

Iran's state purchasing agency has issued a new tender to buy 30,000 tonnes of raw sugar from Brazil, traders said. The bidding deadline was Monday, November 29 and shipment is for December.

Sugar production in the Centre/South winds down

Sugar production in the fortnight ended November 15 fell sharply reaching less than 1.5 mln tonnes, tel quel, compared with 1.9 mln in the second half of October and more than 1.5 mln tonnes in the same period 12 months earlier, growers organisation Unica said. This brought cumulative production so far in the season to 32 mln tonnes compared with 26.2 mln in 2009/10. A total of 76 mills had stopped crushing by November 15 compared with 17 on the same day a year ago. According to Unica, the total cane harvest is likely to remain below the 570.2 mln tonnes forecast in August with the total crush by November having reached 525 mln tonnes. Mills continued to maximise sugar production with the sweetener's share in the total cane crush in the first half of November reaching 47% compared with 43% last season. Even though the numbers were within expectations they served as a reminder that the sugar market cannot expect any relief from Brazil.

Sugar firms up on easing of exports hopes

Shares of sugar firms rose after a senior government official said on Monday that India may free up sugar exports if the country's output tops 24.5 million tonnes in the new season that began on Oct. 1, two dealers said

Farm, business groups to meet over plan for sugar and ethanol plant

FARM and business groups are conducting a feasibility study into a 400m twin-track sugar and ethanol plant, with the midlands as the most likely location.

Sugar industry pay hike talks to resume this week

Pay hike talks between the Guyana Sugar Corporation (GuySuCo) and GAWU are expected to resume this week, but the union said yesterday that a meeting was still to be scheduled.

\$30m given for further mills upgrade

The Fiji Sugar Corporation had given a further \$30 million for the mills upgrade project.

Ethanol has a special appeal for India

The other day the director general of Indian Sugar Mills Association Abinash Verma made an impassioned plea for the central government to announce the final price of ethanol to be procured by oil marketing companies (OMCs) for blending with petrol. Till such time the final price is announced, OMCs are to procure ethanol from indigenous sources at a uniform ex-factory ad-hoc price of Rs 27 a litre for its doping with petrol. According to Verma, sugar mills have finalised "contracts with oil marketing companies for supply of about 600 million litres and delivery has begun."

Rain is good

THE rainfall augurs well for the sugar industry's cane replanting program, according to the Permanent Secretary for Sugar, Manasa Vaniqui. Mr Vaniqui said the rain was a blessing after the drought that scorched the land and affected cane fields both in the North West. "The drought really forced the drop in cane and sugar production," he said. "This will help the cane replanting program as there is now ample moisture content in the soil for cane planting."

Top African companies were honoured at Frost & Sullivan's third annual African Excellence Awards Banquet held last night at the Hilton Sandton Hotel.

The keynote address for the evening was delivered by Nico Stolz, TSB Sugars Ethanol and Energy Specialist. He focused on the innovative processes utilised in the sugar industry, specifically referring to energy generation and the opportunities to incorporate renewable energy from waste, within this dynamic and growing industry. TSB Sugar presented Frost &

Sullivan with a 120MW Renewable Energy Certificate (REC) thereby neutralising Frost & Sullivans carbon electricity footprint and promoting green energy projects.

EC delays out-of-quota sugar export plan

THE European Commission (EC) has delayed plans to export a further 350,000 tonnes of out-of-quota sugar, after EU governments raised concerns over the impact of the move on market prices, EU sources said on Friday.

Indonesia's Trade Ministry seeks white sugar import tax removal

Indonesia plans to suspend the duty on white sugar imports to lower the landed cost of the sweetener, Subagyo, the director general of domestic trade at the Trade Ministry said. The Trade Ministry has sent its recommendation to the Finance Ministry on the tax removal. In May the country reimposed a duty on white sugar imports of IDR790 a kg. Indonesia issued permits in September to import 450,000 tonnes of white sugar for household consumption in early 2011, in anticipation of a fall in production. However, so far no purchases have been made as prices on the world market were regarded as too high.

B.C. Gupta, new global sugar body vice-chairman

Gupta, Secretary in the Department of Food and Public Distribution, has been elected as Vice-Chairman of the International Sugar Council for the year 2011. At the 38th session of the Council held here, Tanzania was elected as its Chair. India is a member of the International Sugar Organisation since 1993 which has a membership of 85 countries. India is the largest consumer of sugar in the world with its demand estimated at 23.5 million tonnes. The Council deeply appreciated India's cooperative role as a major player in sugar sector. India will host the meeting of the Council in 2012.

Rain disrupts sugar harvest in Bundaberg region

Sugar producers at Bundaberg in south-east Queensland say this season's crush has been the wettest and most disrupted in more than three decades.

Sugar industry generates over E2bn revenue

SWAZILAND Sugar Association Marketing Manager Walter Matsebula has noted that the sugar industry generates revenues of over E2 billion and is a large contributor to tax

revenues. He said sugarcane growing contributed 66% to agriculture output and 37% to agriculture employment.

Lautoka Mill ends crushing

The Lautoka Sugar Mill has rounded off crushing for the 2010 season.

For our own sake

Doctor Michael Molitor of CarbonShift Advisory Australia told Fiji, Australia and New Zealand Business Forum: "Fiji is a world class tourism destination, however, the world is changing and people are turning more to countries and destinations that have a low carbon footprint.

Further fuel and sugar price hikes from tomorrow

PUTRAJAYA, Dec 3 The price of fuel and sugar will go up from midnight tonight as part of the Najib administrations ongoing drive to reduce subsidies, but it is fraught with political risks as he mulls early elections next year.

Apex court upholds delicensing of sugar industry

The Supreme Court has upheld a 1998 notification of the union government unshackling the country`s sugar industry from `license raj`.

Monsanto protests sugar beets ruling

Monsanto Co. said Wednesday that it would appeal a federal judge's ruling that the Creve Coeur-based company's genetically engineered sugar beet seedlings planted in September be uprooted.

Sugar Rises, Rebounding From Drop, on Concern Stocks to Tighten Next Year

Sugar rose in London and New York, rebounding from the biggest drop in more than a week amid concern that global inventories of the sweetener will shrink next year, when consumption may exceed supply for a third year.

Duel Over Sugar Beet Seeds Could Create Shortage

Court decisions that have suspended the planting of genetically modified sugar beets could result in a sharp decline in American sugar production in the next two years, leading to

possible price increases for consumers and food processors, according to experts and farmers.

Monsanto Sugar Beet Battle May Lead to Sugar Shortage

Food giant Monsanto is so large that it can disrupt an entire food supply chain--the sweetest one there is. A court battle over genetically modified Monsanto sugar beets (detailed here) may lead to a drop in U.S. sugar production over the next two years, driving up prices for shoppers and food processors alike.

Beet Down: Court Orders Monsanto Sugar Beets to Be Destroyed

The world of genetically modified agriculture has become so contentious that a judge ordered Monsanto seedlings to be removed from the soil this week. U.S. District Court Judge Jeffrey White issued the ruling after Monsanto ignored his August ruling, which deemed the planting and sale of the company's "Roundup Ready" sugar beets illegal, due to insufficient environmental review from the USDA.

Kenya: Sugar Board Now Told to Issue Butali Sugar Licence

Nairobi The Kenya Sugar Board has been ordered to issue Butali Sugar with an operational licence without any further delay.

Rain disrupts sugar harvest in Bundaberg region

Sugar producers at Bundaberg in south-east Queensland say this season's crush has been the wettest and most disrupted in more than three decades.

Toyota Technology Shortens Process to Improve Sugar Cane

Toyota City, Dec 6, 2010 - (JCN Newswire) - Toyota Motor Corporation (TMC) announces that, based on joint development with the National Agricultural Research Center for Kyushu Okinawa Region (KONARC), TMC has created genetic-analysis technology that can substantially shorten the time needed to improve varieties of sugar cane and improve plant performance.

Sugar millers: PHL can't meet higher US demand

Filipino sugar millers won't be able to meet additional quota allocation from the US next year, because of higher demand from other countries and lower production forecast for crop-year 2011.

Court Delays Order To Uproot Genetically Modified Sugar Beets

WASHINGTON -(Dow Jones)- An appeals court has postponed a judge's ruling to uproot hundreds of acres of genetically modified sugar beet seed-producing plants.

Mitr Phol Sugar banks on Australia as key strategic location

This follows the company's acquisition of a 19.9-per-cent stake in Maryborough Sugar Factory from Guinness Peat Group a few days ago.

Bitter taste over sugar closure

Madam, In the light of the recently released report from the EU auditors stating that it was unnecessary to close down the Mallow Sugar Factory with the direct loss of 240 jobs plus indirect local jobs, and consequently our whole sugar industry, perhaps the Labour Party would now acknowledge that it made a mistake in facilitating Tnaiste Mary Coughlans trip to the US?

Jamaica hopes to increase sugar production

KINGSTON, Jamaica Jamaica is hoping to produce 150,000 tonnes of sugar this year despite the recent floods that caused widespread havoc in the country, a senior sugar industry official has said.

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SIA chairman optimistic on sugar crop

Executive Chairman of the Sugar Industry Authority (SIA), Ambassador Derrick Heaven says while it is still unclear what impact the recent flood rains will have on the upcoming sugar crop, it is estimated that 150,000 tons of sugar will be produced and that all sugar factories, except for Long Pond, will be in operation.

GuySuCo has been in a free-fall with the PPP/C govt in full control

The stranglehold the sugar unions (GAWU and NAACIE) have on GuySuCo is an indication of who is in charge of sugar in Guyana and particularly the Skeldon White-Elephant. This letter, however, is not about the unions or about the expected achievements or non-achievements of Skeldon; it is not even about the delayed promise of President Jagdeo to get involved to correct the problems at the factory. Instead, this letter is about an analysis of the expanding losses and declining efficiency in sugar production in Guyana. I will show with evidence extracted from GuySuCo Annual Reports for 2001 and 2009 that since President Cheddi Jagans death, GuySuCo has been in a free-fall with the PPP/C government in full command of GuySuCo without any interference, not even for one day, by any political opposition party or an investigative press. This has been a journey of crass mismanagement and a case of poor oversight by an inept Board of Directors. More troubling is the fact that GuySuCo engages in a zero-sum game in which the PPP/C government has ceded power to the unions, rather than standing firm and focusing on the interest of all Guyanese.

Sugarcane planters buck vehicles overloading law

Two groups of sugar planters in Negros Oriental are petitioning the Department of Public Works and Highways and the Land Transportation to suspend, or grant a moratorium on the imposition of penalties for overloading of vehicles, while they file an appeal to the national government.

CANE FARMERS TO FINALLY RECEIVE THIRD PAYMENT FOR LAST CROP SEASON

On November twenty-fourth, government approved a loan of ten million dollars to Belize Sugar Industry for working capital for the new crop season and to pay farmers their outstanding balance for the last crop season. After BSI received waivers from the ING and First Caribbean International Banks, Government released its first disbursement today of three point two million dollars. This money will be used to cover the third payment to farmers for the 2009 2010 crop season, which should have been made since November 8th. Chairman of the Committee of Management of Belize Sugar Cane Farmers Association, Alfredo Ortega, says farmers should be collecting their payments today.

Mackay Sugar plans sweet future

MACKAY Sugar Limited will hold its annual general meeting at 4pm today in a closed meeting for shareholders at the Mackay Entertainment and Convention Centre.

World's Sugar Production To Rise 8.9% In 2010-11 - ABS

As per the report from Australian Bureau of Agricultural Resource and Economics (ABARE), the world sugar production is forecast to increase by 8.9 million tonnes in 2010-11 to reach a record 169.4 million tonnes. If realised, this new record will be 2.3 million tonnes higher than the previous record set in 2007-08. Large production increases are forecast for India and Brazil, the main producers of sugar from cane. However, these increases are expected to be partially offset by lower beet sugar production in the European Union

AfDB Group Approves Euros 65 Million to Finance Markala Sugar Project in Mali

The Board of Directors of the African Development Bank (AfDB) approved on Monday, 6 December 2010 in Tunis, a 30-million senior private sector loan and a 35 million loan from the public sector window to finance the Markala Sugar project (MSP) in Mali. The two loans amount to 65 million, equivalent to CFAF 42.5 billion.

Kenya: Sugar Board Meets to Decide Fate of Butali Sugar Mills

Nairobi the Kenya Sugar Board (KSB) meets on Tuesday to decide whether to licence Butali Sugar Mills or not.

Sugar producers keen to sweet-talk Europe

WITH the world sugar price relatively high, SAs sugar producers are understandably keen to fix prices and terms for exports of raw sugar to Europe, in what would be a drastic turnabout in government policy and their own market orientation.

S.Africa slightly cuts 2010/11 sugar output forecast

JOHANNESBURG (Reuters) - South Africa's 2010/11 sugar output is estimated at 1.931 million tonnes, slightly down from a previous 1.949 million tonnes forecast, the latest estimate by the South African Sugar Association showed.

China to face sugar deficit of 2m tonnes

BEIJING: China will face a sugar shortfall of more than 2 million tonnes this crop year, the third straight deficit as consumption outpaces production growth; the official China Securities Journal has recently published a report.

Mill owners responsible for sugar crisis

LAHORE - The corrupt and dishonest elements in the governments should be held accountable. The sugar mafia has always been part of the government therefore nobody can take strict action against them. The construction of Kalabagh dam is the only solution of energy crisis in Pakistan and President Asif Ali Zardari has the potential to develop consensus among the people on this issue.

Customs Bureau seizes P16M of Thai sugar

Some 20 container vans of refined sugar from Thailand are in the Bureau of Customs custody after the consignee failed to pay P2.7 million in taxes and duties, the agency's top official said Monday.

Pabna Sugar Mills starts production

Pabna Sugar Mill started production for this season amid fears of losing nearly Tk 85 crore.

Kenya: Worries Over Sugar Imports Plan

Nairobi Sugarcane farmers are worried that little has been achieved towards reforming the country's sugar sector in readiness for expected cheap sugar imports from Comesa member states starting next year.

ND group looks to make ethanol from sugar beets

FARGO, N.D. (AP) -- A North Dakota group said Monday it plans to open a test plant that would turn dry land sugar beets into ethanol, with hopes of building a dozen processing facilities throughout the state.

Sugar Production in Australia May Plunge to 19-Year Low, Forecaster Says

Sugar production in Australia, the third-largest exporter, may plunge to the lowest in almost two decades as wet weather forces producers to leave some cane unharvested this season.

Mitr Phol Sugar banks on Australia as key strategic location

Mitr Phol Sugar Corp, the world's sixth-largest sugar producer, is focused on Australia as a key strategic location for its business.

ABARES slashes sugar output forecast

Australia has slashed its 2010/11 sugar export forecast by 25 per cent after eastern canefields were flooded during harvesting, destroying crops and decimating yields amid the wettest spring on record.

Mackay Sugar take over project

MACKAY Sugar has been forced to take over the contract to construct a power plant at Racecourse Mill after the company overseeing the project went into self-administration.

Maryborough Sugar Factory expands sugar empire

MARYBOROUGH Sugar Factory announced today an underwritten plan to raise \$38 million by issuing new shares to part fund an acquisition.

Sugar mill swoops as price rises

THE Maryborough Sugar Factory has moved quickly to capitalise on the rising sugar price and make itself more attractive to potential suitors by snapping up the other half of its northern Queensland milling joint venture with Bundaberg Sugar.

Floods tipped to wipe \$3.8b from exports

FLOODING and heavy rain through some of Australia's prime agricultural and mining regions will wipe \$3.8 billion from the value of Australia's commodity exports this financial year.

Agri exports to survive deluge

FLOODING and heavy rain will wipe \$3.8 billion from the value of Australia's commodity exports this financial year.

Analysis: Reform consolidates EU sugar monopoly

While the European Union's 2005 reform of its sugar market regime may have succeeded in reducing surpluses and easing imports, it has done little to liberalise the internal market.

Destruction of GM sugar beet crops delayed

An appeals court has delayed the destruction of genetically modified (GM) sugar beet crops until December 23 to give the court time to decide whether they should be uprooted, as ordered by a recent ruling.

South African Sugar Association lowers production forecast

SOUTH Africa's 2010/11 sugar output is estimated at 1.931m tonnes, slightly down from a previous 1.949m tonnes forecast, the latest estimate by the South African Sugar Association showed.

Flooded-out Colombia farmers set for more rains

Rains which have flooded 200,000 hectares of Colombian land, and triggered a mudslide which killed more than 40 people a week ago, look set to continue into 2011, official meteorologists believe.

Dryness hurts Brazil CS cane, favors sugar output

SAO PAULO, Dec 14 (Reuters) - Brazil's center-south 2010/11 cane crush will fall short of expectations after dry weather hurt yields, but the high quality of cane boosted the region's sugar output, cane industry association Unica said Tuesday.

Crush review

THE Fiji Sugar Corporation has applied to the Sugar Industry Tribunal for an end-of-crush date for Ba's Rarawai Mill.

Round-Up Ready Stand Still

We've told you about the agonizing, long decision in federal court on round-up ready sugar beets, but now it's time for farmers to buy their seed for the year. The entire sugar beet industry is still in a cloud of confusion.

A dying industry spins bittersweet memories

I have just returned from Fiji. The mango is in season and sugarcane harvest is in progress. The dry spell that threatened the west had gone.

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Modified Sugar Beet Crop Shouldn't Be Destroyed Yet, Appeals Court Rules

Genetically modified sugar beet plants that would produce seeds for the 2012 planting season cant yet be destroyed as ordered by a judge, a federal appeals court in San Francisco ruled.

Towers at Imperial Sugar refinery reduced to rubble

SUGAR LAND, TX (KTRK) -- Loud explosions may have woken you up Sunday morning in Fort Bend County. Crews imploded two buildings at the old Imperial Sugar refinery. And several people, young and old, came out to see it happen.

American Crystal Sugar agrees to \$50K penalty

EAST GRAND FORKS, Minn.The Minnesota Pollution Control Agency says American Crystal Sugar Co. has paid a \$50,000 civil penalty to settle alleged violations at its East Grand Forks plant.

Delta Sugar to up production in 2011: reports

Egypt's Delta Sugar will start construction on two plants next year and is seeking to acquire land for a third factory, Al-Mal newspaper reported, citing Chairman Abdelhamid Salama.

LS9 raises funds for sugar-to-diesel tech

Synthetic biology company LS9 has raised \$30 million to help fund commercialization of its process of turning plants into diesel fuel.

Czarnikow sees sugar prices as entering new arena

SUGAR prices are moving into a new price arena due to low stock levels and strong demand, and are in a bullish market environment as the end of the year approaches, merchant and analyst Czarnikow said on Tuesday.

DJ Wilmar's Buy Of CSR Unit Shows Confidence In Industry -Growers

Wilmar International Ltd.'s (F34.SG) successful completion Wednesday of a A\$1.84 billion purchase of CSR Ltd.'s (CSR.AU) Sucrogen sugar and renewable energy unit is a strong vote of confidence in the future of the Australian industry, Steve Greenwood, chief executive of farmer lobby Canegrowers, said.

DTI urged to act on sugar profiteers

Bacolod City, Negros Occidental Sugar producers have asked the Department of Trade and Industry to act against unscrupulous persons believed to be causing increases in the retail prices of sugar in Metro Manila.

Nickel, sugar production below expectations

Production of nickel is 6,700 tons below expectations this year, and this years sugar harvest is expected to drop below last years record-low harvest of 1.1 million tons, Economy Minister Marino Murillo told the national parliament on Saturday.

Sugar industry suffers \$130 million losses

THE Far North's sugar cane season has come to a crushing end with losses to growers of up to \$130 million.

Looming Sugar Shortage Boosts Prospects for Sugar ETFs

On Friday, concerns over future supplies of sugar pushed prices up to their highest levels since November 10th as inclement weather in the US and declining output in Brazil pave the path to projected shortages on the supply side of the commodity.

Noble to Buy Two Sugar Mills From Brazil's Cerradinho

SINGAPORE Noble Group Ltd. said Monday it will acquire two sugar mills from Brazilian ethanol producer Grupo Cerradinho for US\$950 million, as commodity companies race to expand operations to tap growing global demand for the sweetener.

Sabah 'to produce sugar in two years'

Kota Kinabalu: There will be no need for Sabah to import sugar from the Peninsular Malaysia in less than two years' time once a sugar cane plantation in Kuala Penyu starts production.

Fiji to look abroad for new sugar CEO

The search for a new CEO for the Fiji Sugar Corporation has gone international with sources telling FBC News that there may not be a local available at this stage to lead the company.

Sugarcane Farmers Protest Against Policy

VIVAnews - As many as 6,000 people from sugar industry, labors in sugar factories and sugarcane farmers in East Java held protest on the streets of Surabaya. The act is aimed at pointing out policies issued by the Ministry of Trade on refined sugar supplies.

Sweet relief for growers

CANEGROWERS and irrigators are breathing a sigh of relief after the State Government backed away from plans to impose substantially large increases to rural irrigators water bills.

Big wet reduces sugarcane crush

MARYBOROUGH has recorded its worst sugarcane crush in 15 years after one of the soggiest seasons in history.

End of Architectural Era in Sugar Land

SUGAR LAND, Texas - The face of Sugar Land changed Sunday morning when two landmark buildings came tumbling down.

Old Hardin sugar factory coming down

The old Holly Sugar factory in Hardin, a landmark since it opened in 1937, is being torn down to provide new equipment storage for a Billings demolition and salvage business.

Destruction of GM Sugar Beet Crops Delayed Following Appeal by Monsanto

An appeals court has delayed the destruction of genetically modified (GM) sugar beet crops until December 23 to give the court time to decide whether they should be uprooted, as ordered by a recent ruling.

Passing sugar Act 2001 will save sector

Editor--About 30,000 growers affiliated to Mumias Sugarcane Farmers Association appealed to the government to seek extension to give the industry time to reorganize. Their worry is that the country's sugar sector is not in position to survive the cheap sugar imports from Comesa member states next year- and rightly so.

Ethiopia: Sugar Factory Workers Get Raise After Two Years

The employees of Finchaa, Methara, and Wenji sugar factories who have been complaining about salary increment and other infrastructure have received a salary increase after two years.

Chavan for more transparency in sugar co-ops

Two days after the Bombay High Courts decision to look at fund utilisation by cooperative sugar factories, Maharashtra Chief Minister Prithviraj Chavan on Friday called for transparency and professionalism in the latter's operations. He said the mills would have to improve their performance to take on challenges in the fast-changing market.

Sugar is comparable to mining in ensuring rural development

SOME years ago, a senior government official let slip that rural development was the key to national development, and that communal farming would underpin it. The official was Tozi Gwanya, director-general of what was then the land affairs department, and the announcement was of an integrated approach to land reform.

Sugar sales increased despite revenue decline

SWAZILAND Sugar Association (SSA) Chief Executive Officer (CEO) Mike Matsebula said despite a decline in revenue generated by the sugar industry in Swaziland, sales volumes had increased. He mentioned that the increase was due to stock draw-downs and adjustments to the shipping schedules.

AFC calls for emergency Parliament session on sugar

Following last week's threat by the Guyana Sugar Corporation (Guysuco) to de-recognize the main union representing sugar workers, the Alliance For Change (AFC) is calling for a special, emergency session of Parliament to discuss the fate of sugar, sugar workers and the sugar industry.

Nagamootoo condemns GuySuCo de-recognition threat

PPP executive Moses Nagamootoo has condemned the de-recognition threat issued by GuySuCo against the main sugar union GAWU and has urged that it be withdrawn.

Sugar hits fresh 30-year high, supply tight

ICE raw sugar futures soared to a fresh 30-year peak on Thursday helped by a soft dollar and tight supplies of the sweetener. ICE March raw sugar rose to 33.73 cents a lb, surpassing a high of 33.65 cents a lb touched on Tuesday. It was last trading 1.36 percent or 0.45 cent higher at 33.58 cents a lb by 1436 GMT. Growing demand and tight export availability from India, the world's second largest producer, have bolstered sugar prices recently.

Nigeria: Flour Mills Meets With NSE Quotation Committee On N37.5 Billion Bond Issue

Flour Mills of Nigeria Plc. was recently hosted by the Nigerian Stock Exchange Quotation Committee to consider its listing application in relation to the recently concluded N37.5 billion Fixed Rate Senior Unsecured Bond.

Star Africa, Zimbabwe Sugar Refiner, Says That its First-Half Loss Widened

Star Africa Corp. said its loss in the six months ended Sept. 30 widened to \$5 million from \$2.56 million a year earlier.

Sugar growers still suffering from last winter Wet and cold conditions lead to below-average yields in River Region

LAPLACE Brutally cold temperatures, coupled with wet, wintry weather last December and January have produced a less than average sugarcane crop in the River Parishes, according to a local officials from the LSU AgCenter.

Maintenance contract awarded by sugar refinery

GRAMERCY A Baton Rouge area industrial maintenance firm was recently awarded a contract to handle equipment maintenance at Louisiana Sugar Refinings new refining and packaging facility in Gramercy.

Sugar industry recovers with sweet harvest

Following a flooded harvest season in 2009, the Louisiana sugar cane industry expects to post good numbers at the conclusion of the last quarter of a harvest season that also saw the selling price rise with the demand of U.S. sugar on the world market.

Sugar factory still fascinating visitors

The eighth annual tour of the Western Sugar Cooperative factory in Scottsbluff provided a brief learning session to another set of fascinated visitors. Each year, 40 guests spend a couple of hours listening to employees, watching videos, and walking through the facility, in the only educational opportunity of its kind in the region.

Beet groups sweet on ethanol

While corn dominates the U.S. ethanol industry, sugar beets are generating interest as a promising new feedstock.

Rain will keep production low, says Queensland Sugar

RECORD rainfall across the country will curb production and shipments from Queensland Sugar next season for a second year, its chairman has predicted.

Bid for sugar supremacy

CANEGROWERS say talk of a takeover of the Tully Sugar Mill is premature and will consider a \$126.7 million offer for the mill only after several questions are answered.

Mackay co-generation power plant 'going ahead'

Mackay Sugar in north Queensland says its co-generation plant project should not be delayed, even though the company building it has gone into voluntary administration.

Bunge launches \$126.7-mn bid for Australia's Tully Sugar for \$126.7 million

Global agribusiness and food company and the world's second-largest sugar trader Bunge Limited, is buying Australia's Tully Sugar for \$126.7 million in a move that would extend and diversify its global sugar milling operations into Australia.

Bunge offers to buy Tully Sugar for A\$126.7m

Tully Sugar, a producer of sugar in Australia, has received an off-market take-over offer valued at A\$126.7m (\$127.24m) or A\$41 cash per share from Bunge Agribusiness Singapore, a subsidiary of global agribusiness and food company Bunge. There has been no admission of a fundamental human relations crisis to which ineffective communication has been a major contributor and this has exacerbated the situation in the sugar industry There are men and women of the Caribbean who are so blinded by their own brilliance that they do not see the darkness through which they lead others. This saying is as true today as when

in 1972 George Lamming, the respected Barbadian writer uttered those words to, of all people, students of the St Vincent Grammar School

Speaker rejects AFC bid for sugar industry debate

An attempt yesterday by the Alliance For Change to have the National Assembly debate the state of the sugar industry as a matter of urgent public importance, was rejected by Speaker of House Ralph Ramkarran triggering a walkout by the party.

Sugar showdown

It would be by no means an exaggeration to state that this week's hasty backing away by the sugar corporation from its threat to de-recognize the Guyana Agricultural and General Workers Union (GAWU) was a demeaning and undignified experience for the leadership of the company. For the Board of the Guyana Sugar Corporation (GuySuCo) or at least those who were associated with the letter to GAWU, it was also a sharp lesson in realpolitik.

GAWU is the real champion of sugar workers

In a letter entitled What about the rights of workers? published in the Guyana Chronicle of December 21, 2010, someone claiming to be Mr Ganesh Singh made a number of malicious accusations about my role in GAWU and the struggle of the sugar workers

SUGAR CANE CROP OFF TO A GOOD START

Things are beginning to look up for the Sugar Industry as farmers seem to take heed of advice for the harvesting of fresh, clean and mature cane. BSI reports an excellent first week of crop. Factory Manager John Gillet tells us more.

Sugar allocation to pay off FSC debts

The bulk of the \$123million allocated to the Sugar Industry in the 2011 national budget will be used to pay off the debts of the Fiji Sugar Corporation.

Tanzania: Sugar Board Expands Regional Markets

THE Tanzania Sugar Board (TSB) has said it would continue to export between 10 and 30 tonnes of sugar annually to the neighbouring countries despite deficits that hit the country almost every year.

SD, SA in bid to keep sugarcane pest out

A series of workshops have been held between South Africa and Swaziland in a move to keep Chilo, a sugarcane stalk borer out of the two countries.

Wet weather ends Australia sugar crush

Australias northeastern sugar cane-growing regions continue to be battered by torrential downpours which ended the harvest early, but wheat growers have some relief in sight as good weather ahead could quicken the pace of the delayed harvest.

Farmers padlock Everest sugar mill

BARDIBAS: Sugarcane producers of Mahottari district, who have been on agitation demanding the rise of price to their products, have padlocked Everest Sugar Mill in Ramnagar of the district.

Private cos set their sights on Mrashtra co-op sugar fiefdom

PUNE: Competition in Maharashtra .s sugar industry is intensifying as more than 100 applications have been filed for setting up new factories. Maharashtra's sugar industry is dominated by cooperative mills and they are worried over the possible fight for sugarcane in the near future.

Economy will undergo metamorphic change

The Indian economy will have a complete new look in the next 5-7 years as numerous agreements have been concluded or are in the process of finalisation with the U.S., Russia, France, China, Japan, South Korea, Malaysia, the UAE and others. The super powers and the other developed countries are anxious to implement mega projects in nuclear power, space, transport and communication sectors. The four major powers the U.S., Russia, France and China are keen to implement nuclear and other power projects in a big way along with Canada. In other directions too, business agreements are being concluded as the U.S. interests alone have signed agreements for supplying Boeing commercial aircraft, military transport aircraft and engines from GE for being fitted in Light Combat Aircraft (LCA). Other contracts relate to supply of boiler, turbine and generating equipment and deep dredging vessels.

Labasa sugar mill struggles to end crushing 2010

The Labasa sugar mill is still struggling to end the 2010 crushing season as the mill is facing problems to finish off with more than five hundred rail trucks of cane still left in the mill yard for crushing.

Fiji sugar industry woes seen as legacy of dirty politics

Fiji's interim government says problems faced by the sugar industry could have been solved 20 years ago if past governments had not been negligent

Fiji Sugar Corporation makes changes at the top

The Fiji Sugar Corporation has made changes in the top personnel as it struggles to keep its head above water. The Corporation has accumulated significant amounts of debt and the mills are still under performing.

Sugar problems were neglected: Vaniqi

Problems faced by the Sugar industry today could have been solved 20 years ago if past governments were not negligent says Permanent Secretary for Sugar Manasa Vaniqi.

Sugar mechanizing will have to speed up

Given the recent trend in labour, the Guyana Sugar Corporation (Guysuco) will have to move swiftly towards greater mechanization, Agriculture Minister, Robert Persaud says

Forum editorial: Ethanol from beets promising

The use of a specialized sugar beet to produce ethanol could be a breakthrough in weaning the industry off corn. An announcement a few days ago of plans to build a small-scale beets-to-ethanol plant in North Dakota is more than promising. It's intriguing.

Sugar extends gains; cocoa falls

Sugar rose in London and New York as more rain forecast for Australia, the world's third largest exporter, heightened speculation of crop losses. White sugar for March delivery gained \$2.70, or 0.3 percent, to \$829.10 a tonne on NYSE Liffe in London. Raw sugar for March delivery climbed 0.44 percent, or 1.3 percent, to 34.27 cents a pound.

ETHANOL

After 2 yrs, 32 factories to start ethanol production

After a gap of about two years, 23 co-operative factories are set to start ethanol production in the state. Eight private sugar factories and a standalone unit of ethanol production have also joined in, bringing up the total number of units to 32. Until last year, only seven units were producing ethanol because of lack of a uniform policy on the ethanol prices.

'Ethanol shortage will not hit petrol doping'

Sugar producers have contested the government's assessment that due to lack of ethanol supply, oil marketing companies such as IOC and BPCL will not be able to sell ethanol-doped petrol as was originally planned. As per a recent assessment of the government, the 2,200 million litre of ethanol to be produced between October 2010 and September 2011 is inadequate to meet the needs of all the users—chemicals and pharmaceuticals industries and oil marketing firms.

Ethanol maker has better year

A Georgia company that manufactures ethanol took in more revenue in 2010 and lost less money. First United Ethanol LLC reported Wednesday that it had revenue of \$203.5 million in its 2010 fiscal year, which ended Sept. 30. That was an increase of 22 percent from revenue of \$166.6 million in 2009.
