

## HIGHLIGHTS FOR May 2010

### BIRLA SUGAR

#### SNAP SHOTS

India may meet its sugar needs and turn exporter with production expected to hit 24 million tonnes (mt) in 2010-11. The country needs about 23 mt sugar to meet domestic demand but produced about 18.5 mt in 2009-10. The government will also have about 3 mt in stock at the start of the new sugar year in October.

Sugar manufacturers are waiting for a government notification which will direct oil companies to buy ethanol at a fixed price for six months. At an emergency meeting in Mumbai, the Ethanol Manufacturers Association, the Maharashtra Distillers Association and the Sakhar Sangh, the apex body of Maharashtra's cooperative sugar industry, said neither the petroleum ministry nor the oil companies have made any move to take the government decision further.

#### DIRECT NEWS UPPER GANGES & OUDH SUGAR MILLS LIMITED

##### *Direct News Appeared in*

- The Economic Times

#### OTHER PLAYERS

##### *Shree Renuka Sugars*

HSBC maintains 'neutral' rating on Renuka Sugar but reduced the target price to Rs 70. Shree Renuka Sugars, a global Indian Sugar company, reported Q2 FY10 earnings +565% yoy to Rs 220 crore. Q2 FY10 earnings were lower than consensus earnings by 12% and expectation by 6% despite trading gains of Rs 58.1 crore. Lower volumes led to lower operating earnings excluding trading gains.

##### *Shree Renuka's Equipav buy could get better*

Shree Renuka Sugars' Rs 1,530-crore deal to acquire Brazilian sugar and ethanol maker Equipav SA A car e lcool faces the danger of falling through, with two deadlines to complete the transaction passing by. The initial 20-day deadline was extended by 40 days, which expired on April 22. Meanwhile, sugar production has gone up and prices have

fallen. Shree Renuka's shares have plunged nearly 50% this year, from a 52-week high of Rs 123.60 on January 7 to Rs 62 on Friday. On February 21, Shree Renuka had announced the acquisition of 50.79% in Equipav, subject to the approval of an acceptable debt restructuring package by Equipav's lenders. Equipav has a debt of \$822 million. The deal is the biggest yet by an Indian sugar company.

#### ***E.I.D. Parry emerges largest regional player in sugar***

Silkroad Sugar Pvt Ltd, the joint venture between E.I.D. Parry and Cargill International, is set to start production at its sugar refinery this month.

#### ***Shree Renuka Sugars bargains over Brazilian deal***

Shree Renuka Sugars is re negotiating the cost of its proposed Rs 1,530 crore acquisition of Brazilian sugar and ethanol maker Equipav amid differences over the amount of debt on the company's books.

#### ***Sugarcane area, productivity seen rising***

In sugarcane, unlike other monsoon-dependent crops, planting for the new 2010-11 crushing season (October-September) is virtually complete by now. In Uttar Pradesh, most of cane planting takes place during March-May, with the crop ready for crushing in 10-11 months the following February-March. In addition, there is a 9-10 month 'ratoon' that grows from the stubble of the previously harvested plant-cane. The cane to be crushed by mills in the 2010-11 season would, thus, include the ratoon from the plant-cane that was harvested this February-March. This cane would be crushed during November-January, which would be followed by the plant-cane that farmers have almost just finished sowing.

#### ***Maharashtra to chalk out plans to revive 52 ailing sugar mills***

Things may sweeten up for the 52-odd sugar mills in the state which have remained closed for the last couple of years as these mills are all set to get a new lease of life. The state government has decided to make special efforts to revive these mills in light of the bumper crop expected for the season 2010-11. A special task force and the working committee group created by the government will meet in Pune to chalk out the course forward to put these mills back on steam. A decision is expected by May 27, following which recommendations made by the committee will be put forward to the state Cabinet for approval, Prakash Naiknavare, MD, Maharashtra State Cooperative Sugar Factories Federation (MSCFF) said.

### ***Equipav- Renuka talks turn sour***

Shree Renuka Sugar's billion-dollar acquisition of the world's largest sugar production in Brazil is on the verge of turning bitter. Four months after agreeing to buy 51 per cent stake in closely-held Equipav S.A Açúcar e Álcool, the sugar and alcohol assets of Brazil's Equipav Group, for Rs 1,530 crore, the exclusive dialogue between the two has fallen through, three people involved in the deal confirmed to Business Standard. There are two other potential bidders in the race. Bunge, the NYSE-listed global agro-processing giant and Hong Kong-based Noble Group, Asia's largest diversified commodities trading group, have opened parallel talks with the Equipav management for the majority stake.

### ***Shree Renuka Sugar renegotiates Brazilian Equipav deal***

Shree Renuka Sugars, India's biggest sugar refiner, is renegotiating its Rs 1,530-crore deal to acquire Brazilian sugar and ethanol maker Equipav. The move follows differences over the current debt book size of the Brazilian company that stands at \$700 million. The sugar manufacturer seeks substantial reduction of Equipav's debt book.

## **INDIAN SUGAR INDUSTRY**

### ***Sugar stocks turn bitter on Govt restrictions***

Government measures to control soaring sugar prices seem to have had its impact on the sugar stocks listed on the BSE. Prices have been on a steady decline after the Government slapped various restrictions, including introduction of fortnightly nonlevy sugar sale. Non-levy or free-sale sugar is sold by companies in the open market, but the quantity to be sold was fixed by the Government on a monthly basis, which cut down to fortnightly basis to improve supply. The move had lead to sugar prices crashing from a record high of Rs 4,050 a tonne in January to Rs 2,704 on Friday. The fortnightly quota for non-levy sugar sale and falling prices had forced many traders to offload their inventory resulting in further fall in prices.

### ***Sugar Prices***

The government today said sugar prices had touched Rs 50 per kg in the retail market have come down and the rates would further decline with major improvement in production in the current season. Answering questions in the Rajya Sabha food and agriculture minister,

Mr. Sharad Pawar disagreed with the opposition members that sugar prices have not fallen in the recent past.

### **Government mulls sugar decontrol**

Sugar, virtually the last bastion of India's infamous 'licence-permit Raj', is likely to enter a brave new world of price and marketing decontrol. While different segments of the government remain divided, the move for sugar decontrol has received a strong push from the Commission for Agricultural Costs and Price (CACP). The trigger is the likely surge in domestic production of sugarcane and sugar in 2010-11 and 2011-12, with estimated sugar production of 22.5 million tonnes and 30 million tonnes, respectively. This is against an estimated production of just 18 million tonnes in 2009-10.

### ***Sugar prices go up as market awaits import duty levy***

The surge in sugar prices over the past four days is being directly related to moves by a section in the sugar industry wanting the reintroduction of import duty on sugar. Over the past few days, sugar prices in the wholesale market have risen by Rs 200 per quintal as the market anticipates the imposition of import duty.

### ***No plan to decontrol sugar, says Pawar***

The government has no proposal to decontrol marketing and pricing of sugar and such decisions depend on how good production is, food and agriculture minister Sharad Pawar said on Wednesday. "We are not even thinking of it. These types of decisions can be taken in September after assessing sugar production and monsoon," he said, referring to Indian Sugar Mill Association's demand that sugar be freed from government control and import duty be slapped on the sweetener. He was replying to reporters when asked if the government was planning to decontrol sugar sector.

### ***Sugar slips further***

Sugar prices slipped further on the Vashi wholesale market on Wednesday on ample stock position. Small sugar quality (S 30) dropped by Rs 40 a quintal to Rs. 2,890 - 2,910. Medium sugar quality (M 30) lost Rs 30 a quintal to Rs 2,900-2,970.

### ***Sugarcane***

Sowing of spring crop is complete in the irrigated regions of North. Moisture stress is likely due to high evapotranspiration rates as temperature is high. Harvesting is smooth in MP,

Maharashtra and North Karnataka under dry weather. Rain in Maharashtra will provide moisture to the newly planted crop.

### ***Sugar sector: Tasting bitter realities***

The news of government bringing back 15 per cent duty on imported sugar and talks of a possible decontrol of sugar have failed to spur sugar stocks. The BS Sugar Index has retreated by around 36 per cent, as against a 3.2 per cent fall in the Sensex and a 22 per cent fall in sugar prices since January 2010. Analysts reckon that things could turn sour for the sugar industry, as prices of imported as well as domestic sugar have slid, while cost of sugarcane is expected to remain the same, if not rise.

### ***Ban on sugar futures may go***

The government may consider lifting the ban on sugar futures trade on the taking stock of the production situation after the monsoon, the agriculture minister, Mr. Sharad Pawar said here today.

### ***Sugar Recovers***

Sugar prices recovered moderately on the wholesale market on the wholesale on Thursday on fresh buying by stockists. Small sugar quality ( S-30) firmed up by 20-22 a quintal to Rs. 2,860- 2,910. Medium sugar quality (M 30) also gained by Rs. 10-25 to Rs 2,895 -2,970.

### ***Sugar stock limit for bulk users eased***

The government on Wednesday relaxed the sugar stock holding limit for bulk users allowing them to store for up to 15 day requirement on improvement in suppliers, a government source said. Bulk users such as soft drink manufacturers and biscuit makers whose monthly is one tonne or more sugar, can currently store only up to their 10 days requirement.

### ***Sugar prices may fall further in Maharashtra***

The ex mill prices of Maharashtra started declining after rumors about almost imposition of import duty on sugar have quietened. A further reduction in prices is expected after the governments stand on charging import duty on white sugar becomes clearer. The current decision has excluded only raw sugar from the preview of the import duty.

### ***More wagons to lift sugar from ports***

With the monsoon approaching, the food ministry has asked the railways to double the number of wagons available for transportation of 8.5 lakh tonnes of imported sugar lying at ports. The food department has written to the railways to allot six rakes to lift imported sugar lying at ports, sources said.

### ***Sugar glut, only a speculation***

These days, everyone – the Government, industry and sundry others including so-called analysts – is bullish about India's sugar production during 2010-11. There is expectation of a huge rebound in production next season as a result of which there already are some talks of India exporting the white crystal next year. To what extent are these forecasts and expectations justified? What is the basis of the very optimistic outlook? A closer scrutiny reveals that talks and reports circulating in the market are based less on hard facts and more perhaps on one's trading positions or mere hearsay. There is tremendous hype about next year's crop and sugar production, not based on currently known facts and solid evidence, unfortunately.

### ***Spot sugar ends up***

Indian spot sugar rose for a second straight day on Tuesday on increased demand due to peak wedding season, though higher supplies from millers capped the rise, dealers said.

### ***Sugar output may top 25 m tonnes next season***

The country's sugar production during the next season beginning October could be upwards of 25 million tonnes (mt).

### ***Sugar output up as rain improves yields***

Sugar output rose 28 per cent in the seven months ended April 30, as late rains boosted yields in the biggest cane-growing states, a producers' group said. Production climbed to 18 million tonnes from 14.08 million tonnes in the same period a year earlier, Vinay Kumar, managing director of the National Federation of Cooperative Sugar Factories, said today in an interview.

### ***Sugar mills served with notices***

The Punjab cane commissioner on Monday issued notices to the seven sugar mills of the province over non-payment of sugar cess during the recent sugarcane crushing season. According to the data available with The News, 45 sugar mills of Punjab had crushed 20.04 million metric tonne sugarcane during this crushing season and collected Rs757.9 million sugar cess against the total amount of Rs768.4 million. Out of this total amount, 50 percent was paid by the sugarcane growers as they deduct the sugar cess payment amount from their price while 50 percent was paid by the mills.

### ***High sugar output may keep prices low***

The March quarter financials of sugar producers were affected, as they paid high procurement prices for cane, but were not able to sell their output at peak prices. Just when everyone thought domestic sugar prices could only go up, a series of measures by the Union government and higher-than-expected output in key producing countries pulled down prices. Most of the companies now expect sugar prices to remain subdued in the near future and are shifting their focus to next year's sugar production and what the government's future moves will be.

### ***State sugar mills look for bailout***

Maharashtra's sugar millers were not keen to get onto the ethanol bandwagon till recently. But faced with a huge stockpile of molasses and alcohol, they are now looking at the Centre for a bailout. On account of the low initial sugarcane estimates, the mills have stocked up molasses in the hope of selling high.

### ***Sugar industry seeks lifting of stock limit on bulk users***

The sugar industry on Wednesday said that the government's decision to relax the stock limit on bulk users will not help increase demand for the sweetener significantly, and sought the complete removal of restrictions placed on it. "There is no level playing field for mills as there is no stock limit on imported sugar," Indian Sugar Mills Association deputy director general M N Rao said, adding, "the stock-holding limit is encouraging bulk consumers to depend on imports." Last week, the Centre had eased the stock limit norm on bulk consumers, such as manufacturers of ice cream and biscuits, by allowing them to keep sugar for 15 days instead of 10.

### ***Sugar Export***

India May export raw sugar for the first time in two years as output exceeds demand after rebound in cane harvest, MD of Maharashtra state cooperative sugar factories federation said.

## **INTERNATIONAL SUGAR INDUSTRY**

### ***Kenya: Mumias Sees Sugar Output Up 15 Percent***

Nairobi Mumias Sugar says it expects stable electricity supply from a co-generation project to boost output of the sweetener by 15 per cent, to 270,000 tonnes this year.

### ***Private millers starve Nzoia Sugar of cane***

Nzoia Sugar Company may soon run out of sugarcane for milling if the continued sale of cane meant for the factory to private millers and jaggeries is not stopped.

### ***Zimbabwe: Tongaat Contributes U.S.\$73,3 Million to Group Profits***

Harare SOUTH Africa-based sugar producer Tongaat Hullet's Zimbabwean sugar operations contributed R548 million (US\$73,3 million) to the group's profits for the financial period ended December 2009 as local operations are now consolidated in the group's financial results.

### ***Angola: Head of State Grants Audience to Brazil's Odebrecht Firm Official***

Luanda The Angolan Head of State, Jos Eduardo dos Santos, on Wednesday received in an audience the chairman of the Odebrecht building firm, Emlio Odebrecht, with whom he analysed the activity of this company in the country, ANGOP has learnt.

### ***Petrobras expands in biofuels with stake in French sugar firm***

Brazilian state-run oil company Petrobras said on Friday it would invest 1.6 billion reals (Dh3.38 billion) in one of the country's largest sugar and ethanol groups, Acucar Guarani, to expand in biofuels production.

### ***Petrobras in biofuels tie-up with Tereos***

Petrobras, Brazil's national oil company, and Tereos, a French maker of sugar and starch products, have agreed to invest up to R\$2.2bn (US\$1.2bn) in a strategic partnership to develop opportun ties in Brazil's fast-growing ethanol industry.

### ***EU sugar companies big winners from CAP subsidies***

Sugar companies were among the largest beneficiaries last year of Europe's Common Agricultural Policy payments, according to statistics made public Saturday by most EU member countries.

### ***Brazil Sugar Output Will Rise to Record on Weather, Conab Says***

Sugar output in Brazil, the worlds biggest producer, will rise 17 percent this year as drier weather will favor harvesting and after cane growers increased planting, the Agriculture Ministry said.

### ***India May Protect Local Sugar Mills From Imports***

India may protect domestically- produced sugar from duty-free imports, farm minister Sharad Pawar said, after allowing zero-tax shipments last year to boost local supplies.

### ***Indian Sugar Traders Paralyzed by Losses Avoid Fresh Imports***

Sugar traders in India, the worlds biggest consumer, are holding off new purchases of the commodity after being paralyzed by losses caused by a plunge in prices, according to the nations biggest refiner.

### ***Birgunj Sugar Mill not viable***

Stakeholders have suggested turning the Birgunj Sugar Factory into an agricultural industry as the resumption of the factory is no more viable.

### ***Bailable warrants issued against sugar mills CEO***

The Environmental Protection Tribunal Sindh has issued bailable warrants against the top official of Ansari Sugar Mill for deliberately avoiding to appear before the tribunal despite several notices.

### ***Sugar mills can add 3,000mw power to grid***

SOURCES in the sugar mill industry have claimed that over 3,000 mega watts of electricity could be produced by sugar mills by using high pressure boiler technology, The News has learnt.

### ***Sugar for Asia Delivery Trades at Premium, Canegrowers Says***

Sugar for delivery in Asia is trading at a premium over New York futures because of a supply shortfall even as benchmark prices slump, an Australian growers group said.

### ***Supreme Court hears Roundup Ready case***

The battle over Roundup Ready alfalfa edged closer to conclusion Tuesday as the U.S. Supreme Court considered lifting a three-year ban on the genetically engineered crop.

### ***Raw sugar falls; cocoa hits 32 year pick***

ICE raw sugar futures slid to a one year low on Tuesday, pressured by a firmer dollar, a lack of physical buying and investor liquidation, while London cocoa touched a 32 year peak on investor and fund buying.

### ***Sugar hits 1 year low, cocoa declines***

Sugar tumbled to a one-year low in New York on speculations on India, the world's biggest consumer, may become a net exporter next year. Cocoa futures had the biggest drop in almost four weeks and coffee dropped.

### ***Farmers await cane payment***

Cane farmers need their fourth cane payment urgently from the FSC to prepare for the cane harvesting program for the 2010 crushing season.

### ***EU pays subsidies to sugar groups***

Sugar companies were the biggest beneficiaries of the European Unions 55bn (\$71.24bn) in agriculture subsidies last year, a new study has found.

### ***Biofuels research looks to the future of flying***

The Queensland Government has worked with UQ to secure a world-first green fuel initiative which could slash greenhouse gas emissions by fuelling planes with algae.

### ***Zambian unit of Illovo lifts sugar output 62% as cane crop grows***

Sugar production at Zambia Sugar, a unit of South Africa's Illovo Sugar, rose 62 percent to 315 000 tons in the year to March, the company announced yesterday.

***Sugar: Illovo's profit lifts in Malawi***

Full-year profit for Illovo Sugar's Malawian unit rose 13 percent even as production fell, the unit said yesterday.

***India may ease control on sugar sector - report***

India is likely to ease tight government controls on sugar sector as the outlook for domestic crop improves and prices fall, the Business Standard reported on Wednesday.

***Sugar mill owners case Order on exemption plea today***

Sindh Environmental Protection Tribunal on Tuesday reserved the order on the requests by the owners and chief executives of five sugar mills, accused of causing environmental pollution, for exemption from personal appearance before tribunal till Wednesday (today).

***Sierra Leone: Protecting Investors, but What About the People? - Dissecting the Contradictions of Agricultural Investment***

On 25 April 2010, representatives from a host of organisations and nations with the clout to shape policies and millions of lives around the world gathered for a Roundtable at the headquarters of the US Millennium Challenge Corporation in Washington.

***Zimbabwe: Masvingo Arid, Yet Not So Dry***

Harare Nhema communal lands in the drought-prone Zaka District of Masvingo Province, is an area notable for being populous and arguably one of the poorest areas of Zimbabwe.

***Government mulls sugar decontrol***

Sugar, virtually the last bastion of India's infamous licence-permit Raj, is likely to enter a brave new world of price and marketing decontrol. While different segments of the government remain divided, the move for sugar decontrol has received a strong push from the Commission for Agricultural Costs and Price (CACP). The trigger is the likely surge in domestic production of sugarcane and sugar in 2010-11 and 2011-12, with estimated sugar production of 22.5 million tonnes and 30 million tonnes, respectively. This is against an estimated production of just 18 million tonnes in 2009-10.

### ***US importing additional sugar from RP***

Sugar industry has sweet work to do as the premium US market seeks more sugar from the Philippines on top of an existing quota.

### ***Sugar Extend Drop to One-Year Low as Global Output May Rise***

Sugar fell to a one-year low, extending the longest slide since November, on speculation that a global deficit will be erased by increased supplies from Brazil and India, the biggest producers.

### ***Frome sugar crop ends on 'reasonable' note GM***

FROME, Westmoreland JOHN Gayle, the general manager at the State-run Frome Sugar factory has described the four-month long 2009/10 sugar crop which ended here yesterday, as "reasonable".

### ***CAFTAs Last Amendment Approved***

Sugar producers and free-trade advocates celebrated the Legislative Assembly's approval of the final piece of the Central American Free-Trade Agreement with the United States (CAFTA) on Thursday, April 29.

### ***Hacienda Luisita haunts Philippine presidential candidate Aquino***

With the Philippine presidential election taking place next Monday, leading candidate Senator Benigno Aquino III continues to be plagued by a controversy over his family's control of the huge sugar plantation known as Hacienda Luisita.

### ***Cuba reports worst sugar harvest since 1905***

Cuba's sugar harvest this year is the worst it's been since 1905, the country's state-run daily newspaper reported.

### ***Raw sugar price forecast slashed on rising supplies***

Commonwealth Bank of Australia slashed its raw sugar price forecasts on increased supplies from India and Brazil, the world's largest producer.

### ***Duty on imported sugar will help stabilise prices: Mawana***

The government should at the earliest levy duty on refined sugar being imported into country as it will not only stabilise the sweetener's prices but also help the industry cut its losses, said a top official of a sugar company.

***Sugar refiners seek policy support***

Leaders of Bangladesh Sugar Refiners' Association yesterday demanded that the government give them necessary policy support to help the industry survive.

***Suggest measures for enhancing sugar recovery, scientists told***

Good varieties of sugarcane with sugar recovery potential exceeding 12 per cent are available in Tamil Nadu Agricultural University (TNAU).

***Sugar plantation, Native Hawaiians in water battle***

Scott's family has fished in Honopou stream for centuries and tapped its water to farm the Hawaiian staple taro on stone-lined terraces built by her ancestors.

***Bulog might sell 1m tonnes of sugar this year***

INDONESIAN state procurement agency Bulog, which ensures stable sugar prices by selling to the local market, said on Thursday it might sell 1m tonnes of sugar this year, up 72% from 2009.

***Sugar plantation, Native Hawaiians in water battle***

Lyn Scott's family has fished in Honopou stream for centuries and tapped its water to farm the Hawaiian staple taro on stone-lined terraces built by her ancestors.

***Luisita sugar workers among first to vote in Noynoy's polling precinct***

Sugar workers in the Cojuangco-owned Hacienda Luisita were among the first to vote in a precinct here, and they said they were solidly behind the presidential bid of Senator Benigno "Noynoy" Aquino III.

***Sugar futures go up following corrections***

Sugar advanced in London and New York on speculation recent price declines will make it more attractive for buyers to make purchases. White sugar for August delivery climbed \$ 14.90, or 3.3% to \$ 466.10 to a metric ton at 11: 52 am on the Life Exchange in London.

***White sugar rises for fourth day on dip in prices***

Sugar rose for a fourth day in London after a three-month slump in prices spurred importers to expand stockpiles. White, or refined sugar for August delivery advanced \$ 2.80 or 0.6%, to \$ 473.80 a metric tonne at 1.20 P.M.

***Kenya: Sugar Miller Faces Probe over Malpractices***

Nairobi The Capital Markets Authority will investigate the allegations of malpractice in the country's largest sugar miller, Mumias Sugar Company, a House committee has heard.

***Government to hold bidding for sugar importation***

The Sugar Regulatory Administration will hold a public bidding this week for the importation of 22,700 tons of refined sugar for arrival on July 31, a senior official said on Thursday. The auction on Friday will be the third for Manila this year.

***Rusagro Cancels Russian Sugar IPO, Citing Market Volatility***

OAO Rusagro, Russias largest sugar producer, postponed its initial public offering due to market volatility, even after OAO Sberbank pledged to buy most of the stock on offer.

***Ministry Denies Sugar Shortage In Kelantan***

The Domestic Trade, Cooperative and Consumerism Ministry's office here has denied reports of sugar shortage in Kelantan, saying that the situation could be due to panic buying.

***Sugar industry defends research investment***

A group of sugar researchers say the development of new varieties is worth millions of dollars to the industry.

***Sugar in sweet-bitter state***

More than Rs 1,500 crore has been invested by the private sector to set up integrated mill complexes with sugar mill, distillery and bagasse-based cogeneration.

***Agrana makes up for unexceptional sugar results elsewhere***

Unremarkable results in sugar have been offset by a better performance in ethanol at Agrana that meant a swing to profit this year for the Austrian company.

***Sugar takeover sweet-talk in CSR's sour annual loss***

CSR has reported a net loss of \$111.7 million despite record sugar prices buoying the performance of takeover target Sucrogen

***Boost for sugar mill***

One of the driving forces of the Whitsunday economy was given a boost on Friday with the long anticipated opening of the Proserpine Sugar Mill's furfural plant - an Australian first.

***Canegrowers pleased with budget boost for renewables***

The sugar industry's lobby group "Canegrowers" says even though regional Australia was largely ignored in the federal budget, they're glad to see money spent on renewable energy.

***(AFX UK Focus) 2010-05-13 06:22 Australia 10/11 sugar output estimate trimmed***

Raw sugar output in Australia, the world's third-largest sugar exporter, is likely to rise by nearly 5 percent in 2010/11, around half earlier estimates of 9 percent growth due to weather conditions, an industry group said.

Sugar up as Thailand may worsen supply shortfall

Sugar advanced to the highest price in a month in London and rose to a two week high in New York on speculation that anti government protests in Thailand may exacerbate a production shortfall.

***Ghana to have new sugar factory***

A 100-million dollar sugar processing plant is to be established in the country by 2012, the first since the collapse of the Asutsuare and Komenda Sugar factories after the overthrow of the Nkrumah regime more than four decades ago.

***State, EU launch K30bn sugar project***

The Government and the European Union (EU) have jointly launched the K30 billion Maggobo Sugar Outgrower Project in Mazabuka District, which is set to benefit 900 people once it is fully operational.

***EU launches K18bn grant to out-grower sugar project***

The European Union (EU) on Tuesday launched a 3 million euro (about K18 billion) grant to the small-scale sugar out-grower scheme in-putting in Zambia Sugar Plcs total output.

***Govt likely to cut mills share in levy sugar***

The food ministry may consider lowering the quantity of sugar that mills contribute for sale through ration shops in the 2009-10 crop year, as output is set to exceed estimate by 2.5 million tonne.

***Sugar Cane Area in India Said to Gain 7.5% on Prices***

Sugar cane planting in India, the biggest producer after Brazil, increased 7.5 percent after prices surged to near a three-decade high this year, a government official with direct knowledge of the matter said.

***Russian sugar refining picks up on new supplies***

Russian sugar refining from imported raws, which was halted towards the end of April, is now picking up, as imports rise due to a lower tariff coming into effect, the main industry lobby said on Tuesday.

***Sugar beet seeding is in good shape overall***

Following on the heels of a weather wreck last fall that forced sugar beet farmers to leave 6,500 acres of their crops in the field, growers have a good handle on spring seeding despite the continuing cold, wet weather, says an industry official. Andrew Llewelyn-Jones, agricultural superintendent for Lantic Sugar in Taber, said last week up to 20,000 acres of sugar beets were planted before the strong snow and rain storms hit most of southern Alberta.

***SCGC thankful for govts help***

The Sugar Cane Growers Council is thankful to the Government for facilitating the additional amount of \$3.74 per tonne to top up the actual payment of \$2.26 per tonne which was certified by the Sugar Industry Tribunal.

***OAS launches project for biofuels development in Jamaica***

The Organization of American States (OAS), through its Department of Sustainable Development, on Wednesday launched in Jamaica a project that supports the development and implementation of biofuels policies and programs in the Caribbean country.

***Sugar extends fall***

Medium sugar quality (M30) DECLINED BY Rs 20-40 a quintal to Rs. 2,780-2,880. Small sugar quality also (S 30) also slipped by Rs 20-30 a quintal to Rs. 2,750-2,810.

***Tate & Lyle considers cutting out sugar as it refines core business***

Pressure is growing on new Tate & Lyle chief executive Javed Ahmed to unveil a radical restructuring this week, which could even see the company quit its historic sugar business.

***Uganda: Government Hailed Over Mabira Forest***

Kampala An international environmental NGO has hailed the Government decision to halt cutting down Mabira forest for sugar cane growing.

***TCP awards tender to import 50,000 MT sugar***

The Trading Corporation of Pakistan (TCP) has awarded tender for import of 50,000 MT sugar to the lowest bidder, Sadat Business Group Limited, Dubai.

***More Sugar For Terengganu***

Terengganu has been allocated an additional quota of 400 tonnes of sugar a month to help meet a recent high demand in the state.

***Sufficient Sugar Supply In Pahang***

Consumers in Pahang have been assured of a continuous and sufficient supply of sugar.

### ***Sugar rises as physical buyers return to market***

Sugar futures rose on Friday with the market boosted by increased physical demand which has helped to tighten near-term supplies, dealers said.

### ***NAFED tenders to import 12,500T of white sugar***

India's state-run National Agricultural Cooperative Marketing Federation (NAFED) has floated a tender to import 12,500 tonnes of white sugar of Thailand and Brazil origin for shipment in September, it said on its website.

### ***Process for Producing a Sugar Solution by Combined Chemical and Enzymatic Saccharification of Polysaccharide Enriched Biomass***

Concentrated sugar solutions obtained from polysaccharide enriched biomass by contacting biomass with water and at least one nucleophilic base to produce a polysaccharide enriched biomass comprising a solid fraction and a liquid fraction and then contacting enriched biomass with a dilute mineral acid selected from the group consisting of sulfuric acid, phosphoric acid, hydrochloric acid, nitric acid, or a combination thereof, to produce an intermediate saccharification product, which is contacted with an enzyme consortium to produce a final saccharification product comprising fermentable sugars.

### ***Indofood Earmarks Rp 4.2t for Sugar, CPO Expansion***

PT Indofood Sukses Makmur, the country's biggest maker of noodles and flour, allocated Rp 4.2 trillion (\$453.6 million) for capital expenditure this year to finance expansion, president director Anthoni Salim said on Friday.

### ***Venezuela's Economic Woes?***

These included the takeover of three sugar mills accused of hoarding and under-producing, a coffee processing company, and the expropriation of land belonging to Venezuela's largest food and beverage company, Polar.

### ***Sugar extends fall***

Medium sugar quality (M30) DECLINED BY Rs 20-40 a quintal to Rs. 2,780-2,880. Small sugar quality also (S 30) also slipped by Rs 20-30 a quintal to Rs. 2,750-2,810.

### ***Sugar soars as buyers look to build stockpiles***

Sugar rose in London for a sixth consecutive day on speculation a shortfall of the sweetener and tight supplies will force buyers to boost stockpiles. Global output will lag behind demand by 8.5 million metric tonnes in the year ending in September, according to the International Sugar Organization.

#### ***Tanzania: Feedstock Crucial for Biofuels Production***

Dar es salaam a bioenergy and food security analysis in Tanzania has indicated that price of the feed stock would play a crucial role in ensuring that biofuels produced in Tanzania are economical.

#### ***Sabah, Sarawak Require AP To Import Processed Sugar - Ismail Sabri***

Although the international trade and industry ministry has issued Approved Permits (AP) for Sabah and Sarawak to import raw sugar, the states also require permits to import processed sugar as they do not have sugar processing factories.

#### ***PPB earnings surge, boost from sale of sugar-related assets***

PPB GROUP BHD [] posted net profit of RM1.12 billion in the first quarter ended March 31, 2010, as earnings were boosted by the completion of disposal of the group's sugar-related assets compared with RM271.83 million a year ago.

#### ***Suspected NPA men raid sugar plantation, seize guns***

Negros Occidental, Philippines--Suspected New Peoples Army rebels raided another sugar plantation in Negros Occidental on Saturday and disarmed private security guards of three firearms.

#### ***Serian out of sugar again***

The mainly Bidayuh populace in Serian district now risk celebrating the Gawai festival without any white sugar due to the acute shortage of this item in Serian town and surrounding bazaars. Serian member of parliament (MP) Datuk Richard Riot, who revealed this yesterday, was furious with the matter especially since he thought the problem would be resolved by now.

#### ***Sugar mill chairman defends resignation***

The former chairman of the Isis Central Sugar Mill says his resignation was in the best interests of the company.

### ***Southern Punjab sugar mills block sucrose testing labs***

The sugar mills of southern Punjab have opposed establishment of sucrose testing laboratories within the mills premises, which is a clear violation of the Cabinet decision regarding fixing of sugarcane rates on the basis of sucrose content, The News learnt on Monday.

### ***New firm to boost sugar production***

Kenya's sugar deficit is expected to come down drastically when a sugar factory to produce 3,500 tonnes of sugar a day is fully operational in Coast Province.

### ***Is Tate and Lyle cutting down on the sugar?***

For nearly 90 years, Tate & Lyle has been synonymous with bags of sugar granulated, cubed, milled but according to at least one City analyst, Martin Deboo of Investec, pressure is growing on the company to sell this side of its business.

### ***Foreign investors pour into Brazilian sugar***

Foreign investors are not just snapping up Brazilian farmland they are taking a bigger stake in sugar operators too, tripling their participation within three years.

### ***Fiji Sugar says mills ready for new crushing season***

The Fiji Sugar Corporation says cane growers will not have problems with the efficiency of mills this season.

### ***American Crystal exec: Cap-and-trade is lethal to U.S. beet industry***

Fargo If cap-and-trade legislation were to move forward as currently framed, it would be the death knell to the world-class efficient sugar beet industry in the Red River Valley, and much of the rest of the country, a top executive of American Crystal Sugar Co. said Monday.

***Sugar drops in NY, London on outlook for Brazil output***

Sugar fell in New York in London on speculation that production in Brazil, the world's biggest cane grower will remain robust. A report due on Thursday from Brazilian industry group Unica is expected to show increased output for the first half of May.

***Power through co-generation for full season now***

Sugar mills can produce power through the process of co-generation during off-season also.

***Sugar supplies in the bag as panic ends***

Not so long ago, the prospect of a global sugar shortage gave food manufacturers a panic attack.

***CSR JV sugar deal expires***

CSR Ltd said on Friday that an agreement to acquire Mackay Sugar's 25 per cent shareholding in the joint-venture sugar refining businesses - Sugar Australia and New Zealand Sugar - had expired.

***Phalia Sugar Mills sale transparent: Moonis***

The sale of Phalia Sugar Mills was a transparent business transaction and no financial irregularity was committed as implied. After miserably failing to implicate the Chaudhry Family in the Haris Steel scandal, our opponents are now desperately trying to drum up another set of false accusations.

***More cane with less sugar in this year's harvest***

This year's sugar cane crop is expected to be up in size but down in sugar content.

***New sugar deal removes risk to farmers***

The new four-year Inter-Professional Agreement (IPA) created by British Sugar and the NFU is being hailed as progressive, and one that could be the envy of other sectors of the industry.

***Pay sugar miller more for power, KPLC urged***

Mumias Sugar Company could earn about double what it does for the electricity that it supplies to the national grid.

### ***Kenya, Tanzania see higher sugar production***

Kenya forecasts sugar production to rise by between 10 and 15 percent this year from a record 548,207 tonnes in 2009, as good weather improves cane production, the industry regulator said on Thursday.

### ***Tate&Lyle new focus prompts talk of sugar sale***

Sugar refiner and sweetener group Tate & Lyle promised a focus on its growing speciality food ingredients under new Chief Executive Javed Ahmed prompting speculation it may sell its former flagship sugar operations.

### ***Tate & Lyle to keep sugar business but focus shifts to food ingredients***

Although the company did not put its sugar business up for sale today, new Tate & Lyle boss Javed Ahmed said that sugar will be a lower priority

### ***Video: Tate & Lyle hangs on to sugar arm***

British sugar refiner Tate & Lyle reports a 7 pct drop in annual profits, while the new CEO decides to prioritise speciality foods.

### ***Nothing sweet about Tate & Lyle***

Tate & Lyle used to be a hardy perennial, the kind of stock youd advise your grandmother to buy. But the weakening of US demand for its sugar, sweeteners and corn starch, along with the vagaries of the commodity markets, has led to a series of profit warnings in the past couple of years.

### ***Mitr Lao Sugar, Subsidiary of Thai Major Mitr Phol, Commenced Exports of Lao Sugar to the EU in Partnership with Tate and Lyle***

Thailand Agribusiness service provides proprietary medium term price forecasts for key commodities, including corn, wheat, rice, sugar, cocoa, coffee, soy and milk; in addition to newly-researched competitive intelligence on leading agribusiness producers, traders and suppliers; in-depth analysis of latest industry developments; and essential industry context on Poland's agribusiness service.

### ***Syngenta Broadens Seeds Business With Sugar Beet Buy***

Agrochemicals company Syngenta AG (SYNN.VX) Thursday said it has bought the sugar beet business from Maribo Seed for a total of around EUR48 million from Germany-based Nordzucker AG, further strengthening its seeds business with a medium-sized acquisition.

### ***Kenya: Bitter Row Ensues Over Sugarcane***

Nairobi A row has erupted between farmers contracted to Nzoia Sugar Company and the factory management over sale of sugarcane to private millers and jaggeries.

### ***Nigeria: Oyo Farmers, Research Council Collaborate in Sugar Production***

Lagos All Farmers Association of Nigeria (AFAN) in Oyo State is set to collaborate with the Raw Materials Research and Development Council (RMRDC) toward boosting sugar production.

### ***Nigeria: Oyo - AFAN, RMRDC Partner On Sugar Production***

Lagos The All Farmers Association of Nigeria (AFAN) in Oyo State is set to collaborate with the Raw Materials Research and Development Council (RMRDC) toward boosting sugarcane production.

### ***Cuba mulls foreign buyout after worst sugar harvest in a century***

Cuba is considering foreign -- possibly Brazilian -- buyout of its troubled sugarcane industry after the worst harvest in more than a century cost a minister his job and led to recrimination and government threats to punish other officials suspected of poor performance.

### ***New sugar beet crop damaged by cold snap***

A spring cold snap last week damaged sugar beet crops in the Powell, Emblem and Lovell areas, a growers spokesman said Monday.

### ***Sugar cane season off to a slow start***

The cold, wet winter has slowed the beginning stages of this years sugar cane crop.

### ***Imperial Sugar 2Q Loss Widens***

Imperial Sugar Co. said Monday that its second-quarter loss widened as the company suffered derivatives setbacks and problems at a refinery.

***Sugar output up as rain improves yields***

Sugar output rose 28 per cent in the seven months ended April 30, as late rains boosted yields in the biggest cane-growing states, a producers group said.

***Bids in sugar tender \$556.80 to \$608 a tonne***

Bids in the international tender from TCP to purchase 200,000 tonnes of white sugar ranged between \$556.80 to \$608 a tonne c&f, European traders said on Monday.

***Pakistan buys 200,000 T sugar in tender -trade***

Pakistan's state trading agency TCP has purchased 200,000 tonnes of white sugar in a tender for the same volume which closed on Saturday, traders said on Monday.

***Duty on imported sugar will help stabilise prices: Mawana***

The government should at the earliest levy duty on refined sugar being imported into country as it will not only stabilise the sweetener's prices but also help the industry cut its losses, said a top official of a sugar company.

***Sugar refiners seek policy support***

Leaders of Bangladesh Sugar Refiners' Association yesterday demanded that the government give them necessary policy support to help the industry survive.

***Sugar plantation, Native Hawaiians in water battle***

Haiku, Hawaii Lyn Scott's family has fished in Honopou stream for centuries and tapped its water to farm the Hawaiian staple taro on stone-lined terraces built by her ancestors.

***Bulog might sell 1m tonnes of sugar this year***

Indonesian state procurement agency Bulog, which ensures stable sugar prices by selling to the local market, said on Thursday it might sell 1m tonnes of sugar this year, up 72% from 2009

### ***Sugar plantation, Native Hawaiians in water battle***

Lyn Scott's family has fished in Honopou stream for centuries and tapped its water to farm the Hawaiian staple taro on stone-lined terraces built by her ancestors.

### ***Luisita sugar workers among first to vote in Noynoy's polling precinct***

Tarlac city Sugar workers in the Cojuangco-owned Hacienda Luisita were among the first to vote in a precinct here, and they said they were solidly behind the presidential bid of Senator Benigno "Noynoy" Aquino III.

### ***Production costs the next cane challenge: Suncorp***

Suncorp says that after years of low prices and poor seasons, this year's challenge facing cane growers is controlling their cost of production.

### ***Syngenta trials sugar beet variety resistant to beet cyst nematode***

Sugar beet varieties that are resistant to beet cyst nematodes rather than just tolerant are being developed by Syngenta Seeds.

### ***Is Indonesia's Sugar Goal Just a Sweet Dream?***

Problems acquiring land for new sugar plantations and factories will likely prevent the country from meeting its goal of becoming self-sufficient in sugar production by 2014, a lawmaker and an industry leader said on Monday.

### ***Penang mill prepares for crushing***

The Penang Sugar mill in Rakiraki is making final preparations to kick off the 2010 crushing season.

### ***Tongaat Hulett 15 Month Heps Seen Up 34-38 Percent***

Johannesburg Sugar producer Tongaat Hulett says its headline earnings for the 15 months to end March 2010 are expected to be between R840 million and R860 million, which is 34% to 38% above the corresponding previous 15 month period.

### ***Govt to open 300,000 ha of new sugarcane plantations***

The government will allocate up to 300,000 hectares for expansion of sugarcane plantations and rehabilitate old mills to increase sugar production, a senior official at the Industry Ministry said.

Deputy Industry Minister Alex Retraubun said in Jakarta on Monday that 300,000 hectares would be offered to investors as part of the revitalization of the sugar industry.

***Vietnam Now Has Enough Sugar, Says Vietnam Sugar And Sugarcane Association***

Vietnam now has enough sugar for local demand after importing 36 percent of this year's quota of 200,000 tonnes of sugar, according to the Vietnam Sugar and Sugarcane Association (VSA). VSA President Vo Thanh Dang told the Daily that the Ministry of Industry and Trade suggested at a recent meeting that importing 300,000 tonnes of sugar would help stabilise the market. However, in 2010's first quarter, Vietnam imported 73,000 tonnes of sugar for the food and beverage industry, so "another 300,000 tonnes won't be necessary," Dang said.

**ETHANOL**

***Pawar moots hike in ethanol output***

Sugar mills should increase ethanol production to protect themselves from falling prices of the commodity as a bumper crop has been projected next year, the Union Minister for agriculture, Mr. Sharad pawar said.

***Petrobras to take stake in Guarani Sugar***

In an effort to boost its participation in the growing ethanol market, Brazilian government-controlled energy giant Petrobras (PBR, PETR4.BR) on Friday announced that it will buy a stake in the local Guarani Sugar and Ethanol Group.

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