

Sugar & Gur Domestic & International Fundamentals

- Sugar price turned up sharply today in key sugar spot markets including UP and Maharashtra over the announcement of sugarcane SAP price by UP government.
- UP government hike SAP for sugarcane to Rs 290 for early variety, Rs. 280 for normal variety and Rs 275 for Rejected variety. Last year UP sugarcane SAP was Rs. 250, Rs.240 and Rs. 235 respectively. UP government also increased the transportation deduction expenses to 8.75 per quintal which means if farmer brought its produce upto mill then mills will pay additional Rs.8.75 per quintal as a transportation expenses.
- After Egypt, Vietnam will also hike sugar import duty to 40 percent from next year to help domestic production. It is notable that Vietnam forecasts surplus scenario of sugar in 2013. Presently, white sugar import duty hovering stood at 15%.
- Food Minister sees sugar output could fall to 23 million tons in 2012-13 owing to drought in Karnataka and Maharashtra.
- Indian sugar exporters are paying premium of \$35 to \$55 per ton to millers however Indian white sugar export prices are facing tough competition from Thai sugar and therefore likely to go down in the coming week as expected.
- Pakistan is quoting sugar export price at \$550 this week up from \$520 per ton a week earlier.
- Thai raw sugar premium steady this week and traded at 65 points over New York Futures.
- Gur prices steady today in Muzaffar nagar market despite of higher sugar cane price for UP.

Outlook:

Sugar prices likely to continue its downward movement in the coming days keeping in view continuous sugar imports and higher sugar quota for the coming months.

NCDEX Sugar Future Quotes:

Contract	+/-	Open	High	Low	Close
Dec-12	12	3288	3288	3261	3265
Jan-13	19	3281	3299	3281	3295
Feb-13	15	3330	3340	3330	3340

Contract	Volume	Change	OI	Change
Dec-12	410	-700	13960	350
Jan-13	5970	-2550	30950	160
Feb-12	1060	-630	11080	180

Spread	Dec-12	Jan-13	Feb-13
Basis	85		
Dec-12		30	75
Jan-13			45

Stocks	Demat	In-Process	Total	FED
	07.12.12	07.12.12	07.12.12	03.12.12
Kolhapur M	13995	150	14145	13995
Kolhapur S(old)	315	0	315	315
Kolhapur S(New)	900	0	900	900
Sangli S	-	-	-	-

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Mar-13	516.4	519.5	512	515.5	-3
May-13	522.7	524.5	518.8	522.2	-2.9
Aug-13	525.9	527.6	521.6	525.6	-2.4

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Dec-12	1.5	1080	1084.5	1078	1080
Jan-13	0.5	1140	1145	1130.5	1133.5
March-13	-2.5	1160	1165	1155	1156

Contract	Volume	Change	OI	Change
Dec-12	1190	110	1780	-470
Jan-13	3650	980	5900	0
March-13	2240	1400	5280	910

Spread	Dec-12	Jan-13	Mar-13
Basis	-24		
Dec-12		53.5	76
Jan-13			22.5

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Mar-13	19.35	19.4	19.05	19.21	-0.15
May-13	19.44	19.44	19.12	19.35	-0.09
Jul-13	19.48	19.52	19.2	19.48	-0.04

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	415.25	
Raw Sugar C&F (\$/MT)	Black Sea	442.25	
Sugar White FOB (\$/MT)	Santos Port	505.25	

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Mar'13/Mar'13	91.5	
May'13/May'13	96	
Aug'13/July'13	97	

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Contract	Close	+/-
Dec'12	18.52	
Mar'12	19.24	
May'12	17.82	

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		8-Dec-12	7-Dec-12	
Sugar	Delhi - Grade M	3550	3485	+65
	Delhi - Grade S	3500	3460	+40
	Delhi - Grade L	3570	3505	+65
	UP- Khatauli Grade M	3490-3495	3490	+5
	UP- Ramala Grade M	3265	3290	-25
	Mumbai –Grade M	3421-3581	3571	+10
	Mumbai –Grade S	3366-3392	3411	-19
	Kolhapur – Grade M	3350	3320	+30
	Kolhapur – Grade S	3250	3220	+30
	Vijayawada – Grade M	3800	3900	-100
	Vijayawada- Grade S	3660	3680	-20
	Nagpur – Grade S	3500	3550	-50
	Kolkata – Grade M	-	-	-
	Chennai - Grade S	3200-3325	3325	Unch

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

Gur Spot Prices (Rs/Qtl)

		8-Dec-12	7-Dec-12	
Muzaffar Nagar	Chaku New	2638	2638	Unch
	Khurpa	2450	2413	+37
	Laddu	2663	2688	-26
	Rascut	-	-	-
Maharashtra	Lal Variety	-	-	-
Bangalore	Achhu	-	3200	-
	Mudde	-	3400	-
Belgaum	Mudde	3100	3000	+100
Belthangadi	Yellow (Average)	-	3400	-
Bijapur	Achhu	-	3000	-
Gulbarga	Other (Average)	-	3000	-
Mahalingapura	Penti (Average)	-	2990	-

Mandya	Achhu (Medium)	-	2700	-
	Kurikatu (Medium)	-	2450	-
	Other (Medium)	-	2500	-
	Yellow (Medium)	-	2650	-
Shimoga	Achhu (Average)	-	-	-

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

UP Private Mills Tender Rates				
Centre	Origin/Grade	8-Dec-12	7-Dec-12	Change
Dorala	M-30	3440	3440	Unch
Mawana	M-30	3460	3460	Unch
Modinagar	M-30	3425	3425	Unch
Malakpur	M-30	3390	3390	Unch
Simbholi	M-30	3525	3525	Unch
Asamoli	M-30	3500	3500	Unch
Dhanora	M-30	3400	3400	Unch
Dhampur	M-30	3400	3400	-
Kinnoni	M-31	3555	3555	Unch
Budhana	M-31	3450	3450	-
Thanabhavan	M-31	3450	3450	-
UP Government Mills Tender Rates				
Centre	Origin/Grade	8-Dec-12	7-Dec-12	Change
Nazibabad	M-30	3175	3175	-
Sakoti	M-30	3175	3175	-
Amroha	M-30	3155	3155	Unch
Chandpur	M-31	3180	3180	Unch
UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	8-Dec-12	7-Dec-12	Change
Baghpat	M-30	3195	3195	Unch
Gajraula	M-30	3175	3175	Unch
BulandShahar	M-30	-	-	-
Anupshahar	M-30	3145	3145	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	7-Dec-12
WARANA	S1.PP	3131.00-3238.00
	S2.PP	3221.00-3228.00

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