

Sugar & Gur Domestic & International Fundamentals

- Prices of sugar is moving downwards in key sugar spot markets on Thursday as increasing supply pressure and importing raw sugar from Brazil.
- Government will reduce carryover period for unsold levy sugar to six months from present 24 months. It would give some respite to the millers. If government agencies failed to lift the stock in the mentioned time period then mills can sold it in the open market.
- Government has permitted 10000 tons of sugar exports to EU in the current marketing year 2012-13. It is notable that under a WTO rule, India has to export 10000 tons of sugar to EU annually.
- Higher sugar output in Brazil led the buyers getting good discount. Raw sugar premium was offered at a discount of 0.55 cents to the price of March ICE contract.
- Pakistan has allowed 5 lac tons of sugar export without putting any quantitative restrictions on mills. Exporters need to export sugar within 90 days after registering for exports.
- Gur prices are steady to weak owing to higher arrivals in Muzaffar nagar spot mandi..
- It is notable that availability of cane in Maharashtra is pretty less this year which might affect the gur production. Also, shift of various jaggery producing units from UP to MP likely to downgrade gur production. Long term prospects of gur became bullish after considering above facts.

Outlook:

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

NCDEX Sugar Future Quotes:

Contract	+/-	Open	High	Low	Close
Dec-12	-22	3180	3200	3152	3152
Jan-13	-12	3269	3269	3245	3257
Feb-13	-20	3324	3324	3299	3303

Contract	Volume	Change	OI	Change
Dec-12	300	-550	30	-1880
Jan-13	14590	10090	30050	-1040
Feb-12	5410	3700	16550	2350

Spread	Dec-12	Jan-13	Feb-13
Basis	148		
Dec-12		105	151
Jan-13			46

Stocks	Demat 19.12.12	In-Process 19.12.12	Total 19.12.12	FED 17.12.12
Kolhapur M	14728	0	14728	14295
Kolhapur S(old)	369	0	369	315
Kolhapur S(New)	900	27	927	900
Sangli S	-	-	-	-

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Mar-13	519.3	522	515.9	517.8	-3.1
May-13	524.4	526.3	521	522.6	-3.4
Aug-13	527.5	529.5	523.9	525.5	-3.5

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Dec-12	4.5	1081	1081	1077	1080
Jan-13	-13	1117	1118	1102.5	1105.5
March-13	-11.5	1141.5	1142	1128	1130

Contract	Volume	Change	OI	Change
Dec-12	230	-10	120	-230
Jan-13	5120	2850	6200	-70
March-13	3350	2350	8260	180

Spread	Dec-12	Jan-13	Mar-13
Basis	20		
Dec-12		25.5	50
Jan-13			24.5

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Mar-13	19.37	19.46	19.15	19.23	-0.16
May-13	19.5	19.57	19.27	19.34	-0.18
Jul-13	19.54	19.65	19.37	19.45	-0.19

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	415.5	
Raw Sugar C&F (\$/MT)	Black Sea	444.5	
Sugar White FOB (\$/MT)	Santos Port	506.50	

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Mar'13/Mar'13	93.5	0.75
May'13/May'13	96	-0.25
Aug'13/July'13	96.5	-1

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Contract	Close	+/-
Dec'12	18.42	0.09
Mar'12	19.69	-0.12
May'12	17.92	-0.11

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		20-Dec-12	19-Dec-12	
Sugar	Delhi - Grade M	3450	3480	-30
	Delhi - Grade S	3400	3400	Unch
	Delhi - Grade L	3480	3500	-20
	UP- Khatauli Grade M	-	-	-
	UP- Ramala Grade M	3205	3205	Unch
	Mumbai –Grade M	3536	3536	Unch
	Mumbai –Grade S	3361	3362	-1
	Kolhapur – Grade M	3300	3300	Unch
	Kolhapur – Grade S	3200	3200	Unch
	Vijayawada – Grade M	3680	3700	-20
	Vijayawada- Grade S	3560	3580	-20
	Nagpur – Grade S	3450	3500	-50
	Kolkata – Grade M	-	-	-
	Chennai - Grade S	3250	3250	Unch

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

Gur Spot Prices (Rs/Qtl)

		20-Dec-12	19-Dec-12	
Muzaffar Nagar	Chaku New	2750	2750	Unch
	Arrivals	15000	10000	5000
	Khurpa	2500	2500	Unch
	Laddu	2550	2575	-25
	Rascut	-	-	-
MP	Kareli (Narsinghpur)			
	Gadarwara (Narsinghpur)			
Maharashtra	Lal Variety	2800	2800	Unch
	Kolhapur	3300	3300	Unch
Bangalore	Achhu	3400	3200	200
	Mudde	3500	3400	100
Belgaum	Mudde	3000	3000	Unch

Belthangadi	Yellow (Average)	-	3200	-
Bijapur	Achhu	3000	-	-
Gulbarga	Other (Average)	2788	3000	-212
Mahalingapura	Penti (Average)	2960	2940	20
Mandya	Achhu (Medium)	2700	2700	Unch
	Kurikatu (Medium)	2500	2450	50
	Other (Medium)	2550	2450	100
	Yellow (Medium)	2650	2600	50
Shimoga	Achhu (Average)	3400	3440	-40

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

UP Private Mills Tender Rates				
Centre	Origin/Grade	20-Dec-12	19-Dec-12	Change
Dorala	M-30	3440	3440	Unch
Mawana	M-30	3460	3460	Unch
Modinagar	M-30	3385	3385	Unch
Malakpur	M-30	3355	3355	Unch
Simbholi	M-30	3520	3520	Unch
Asamoli	M-30	3510	3510	Unch
Dhanora	M-30	3390	3390	Unch
Dhampur	M-30	3380	3380	Unch
Kinnoni	M-31	3595	3595	Unch
Budhana	M-31	3495	3495	Unch
Thanabhavan	M-31	3495	3495	Unch
UP Government Mills Tender Rates				
Centre	Origin/Grade	20-Dec-12	19-Dec-12	Change
Nazibabad	M-30	3095	3095	Unch
Sakoti	M-30	-	-	-
Amroha	M-30	-	-	-
Chandpur	M-31	3350	3350	Unch
UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	20-Dec-12	19-Dec-12	Change
Baghpat	M-30	3215	3215	Unch
Gajraula	M-30	3115	3115	Unch
BulandShahar	M-30	-	-	-
Anupshahar	M-30	3100	3100	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	19-Dec-12
VENKATESH	S.PP	3190.00 OPEN
	M.PP	3260.00 OPEN
GHODGANGA	OLD S.PP	3173
	S.JK	3185
BHAWANI	S1.PP	3188

	OLD S.JB	3188
MULA	S.JK	3185
	M.PP	3320.00 OPEN
AADINATH	S.PP	3168
SHRIGONDA	S.JB	3200
SOMESHWAR	S1.PP	3193
	M.PP	3298
SADASHIV	S.JB	3185.00-3190.00
	M.JB	3210
MULA	S.JK	3185.00 OPEN
	M.PP	3320.00 OPEN
BHOGAWATI	S1.PP	3149
	M.PP	3349
WARANA	S1.PP	3228.00 OPEN
	S2.PP	3223.00 OPEN

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