

Sugar & Gur Domestic & International Fundamentals

- Steady to weak sentiments recorded in key sugar spot markets on monday.
- Maharashtra has produced 19.79 lac tons of sugar till date in this season starting from Oct 1 2012 with an average recovery of 10.02% which that is higher from last year sugar production (~18.93 lac tons) at same period.
- Russia produced 4.261 million metric tonnes of refined sugar from domestically harvested beet to Dec. 17, compared with 4.333 million tonnes on the same date last year.
- Iran has issued a tender to buy minimum 50000 tons of white sugar from all origins. Closing date of the tender is 29th December, according to the Iraqi trade ministry.
- 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 declined sharply today 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 are steady at the moment and waiting for some cues. However, severe downside from this level not seems possible as imported raw sugar and domestic prices are close enough.

NCDEX Sugar Future Quotes:

Contract	+/-	Open	High	Low	Close
Jan-13	-7	3264.00	3272.00	3251.00	3262.00
Feb-13	-2	3296.00	3308.00	3296.00	3305.00
Mar-13	-1	3354.00	3359.00	3354.00	3356.00

Contract	Volume	Change	OI	Change
Jan-13	4,790	2,160	24730	2220.00
Feb-13	1,470	970	16800	0.00
Mar-13	1,100	990	5870	340.00

Spread	Jan-13	Feb-13	Mar-13
Basis	13		
Jan-13		-43	-51
Feb-13			53

Stocks	Demat 22.12.12	In-Process 22.12.12	Total 22.12.12	FED 17.12.12
Kolhapur M(old)	13690	0	13690	14295
Kolhapur S(old)	369	0	369	315
Kolhapur S(New)	927	0	927	900
Sangli S	-	-	-	-

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
13-Mar	19.23	19.35	19.08	19.25	unch
13-May	19.4	19.47	19.22	19.4	0.04
13-Jul	19.47	19.62	19.37	19.56	0.07

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Jan-13	-10	1112.00	1113.50	1101.00	1103.50
March-13	-7.5	1136.50	1137.00	1129.00	1131.00
July-13	-5	1245.00	1245.50	1239.50	1242.00

Contract	Volume	Change	OI	Change
Jan-13	2,680	510	5810	-270.00
March-13	3,000	1,090	8550	270.00
July-13	270	160	650	-420.00

Spread	Jan-13	Mar-13	July-13
Basis	-59		
Jan-13		27.5	133
Feb-13			105.5

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
1-Mar	516.5	520	515.4	518.3	2.1
1-May	521.4	523.8	520.2	523	1.7
1-Aug	525.2	527.8	523	526.7	2.1

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	411.75	-0.25
Raw Sugar C&F (\$/MT)	Black Sea	440.75	-0.25
Sugar White FOB (\$/MT)	Santos Port	402.75	-0.25

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
		24-Dec-12	22-Dec-12	
Sugar	Delhi - Grade M	3475	3460	+15
	Delhi - Grade S	3400	3400	Unch
	Delhi - Grade L	3500	3485	+15
	UP- Khatauli Grade M	-	-	-
	UP- Ramala Grade M	3190	3205	-15
	Mumbai –Grade M	3511	3526	-15
	Mumbai –Grade S	3346	3351	-5
	Kolhapur – Grade M	3275	3300	-25
	Kolhapur – Grade S	3175	3200	-25
	Vijayawada – Grade M	3660	3680	-20
	Vijayawada- Grade S	3530	3560	-30
	Nagpur – Grade S	3450	3450	Unch
	Kolkata – Grade M	-	-	-
	Chennai - Grade S	3175	3200	-25

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

Gur Spot Prices (Rs/Qtl)

		24-Dec-12	22-Dec-12	
Muzaffar Nagar	Chaku New	2563	2650	-88
	Arrival(Chaku New)	8000	10000	-2000
	Khurpa	2488	2475	+13
	Laddu	2563	2550	+13
	Rascut	-	-	-
Maharashtra	Lal Variety	2800	2800	Unch
Maharashtra	Kolhapur	3200	3300	-100
Bangalore	Achhu	3400	3400	Unch
	Mudde	3500	3500	Unch
Belgaum	Mudde	2900	-	-
Belthangadi	Yellow (Average)	-	-	-
Bijapur	Achhu	3100	2880	+220

Gulbarga	Other (Average)	3050	3050	Unch
Mahalingapura	Penti (Average)	2990	-	-
Mandya	Achhu (Medium)	-	-	-
	Kurikatu (Medium)	-	-	-
	Other (Medium)	-	-	-
	Yellow (Medium)	-	-	-
Shimoga	Achhu (Average)	3375	3375	Unch

UP Private Mills Tender Rates				
Centre	Origin/Grade	24-Dec-12	22-Dec-12	Change
Dorala	M-30	3400	3440	-40
Mawana	M-30	3410	3460	-50
Modinagar	M-30	3385	3385	Unch
Malakpur	M-30	3340	3355	-15
Simbholi	M-30	3480	3520	-40
Asamoli	M-30	3470	3510	-40
Dhanora	M-30	3370	3390	-20
Dhampur	M-30	3340	3380	-40
Kinnoni	M-31	3510	3595	-85
Budhana	M-31	3405	3495	-90
Thanabhavan	M-31	3405	3495	-90
UP Government Mills Tender Rates				
Centre	Origin/Grade	24-Dec-12	22-Dec-12	Change
Morna	M-30	3130	3120	10
Nanotha	M-30	3100	3105	-5
Nazibabad	M-30	3060	3095	-35
Sakoti	M-30	-	-	-
Amroha	M-30	-	-	-
Chandpur	M-31	3330	3350	-20
UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	24-Dec-12	22-Dec-12	Change
Baghpat	M-30	3150	3215	-65
Gajraula	M-30	3100	3115	-15
BulandShahar	M-30	-	-	-
Anupshahar	M-30	3070	3100	-30

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	22-Dec-12
ANURAJ	S.JB	3200
VIGHNAHAR	S.JK	3190
	M.JB	3250
MALINAGAR	S.JK	3138
KUKADI	S.PP	3150
KOLPEWADI	S.JB	3203
	S1.JB	3291
SADASHIV	S.JB	3166.00-3171.00

	M.JB	3190
MADHUKAR	M.JK	3285
BARAMATI AGRO	S.PP-S1.PP	3165.00-3180.00
	M.PP	3250
AADINATH	S.PP	3148
MULA	S.JK-S1.PP	3173.00-3245.00
	M.JB	3327
JAWAHAR	S2.PP	3163.00 OPEN
	M2.PP-M1.PP	3183.00-3223.00

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