

Sugar & Gur Domestic & International Fundamentals

- Steady to weak sentiments recorded in key sugar spot markets on Saturday.
- Declining sugar prices in International arena gives domestic refineries an opportunity to make profit by importing cheap raw sugar and refined it which become cheaper compared to domestic sugar prices.
- Shree Renuka Sugars begged 1.5 million tons capacity per year captive berth at Kandla port to reduce the transportation cost by handling large size Panamax vessels. It is notable that Shree Renuka Sugars has sugar refinery unit near to Kandla port which has the capacity of 3000 tons per day. Company is looking forward to handle 1 million tons raw sugar and around 2.5 lac tons of coal to fuel its facilities. This move helps a lot to SRS to increase its raw sugar import from its Brazil sugar unit. It is notable that around 7-8 lac tons of raw sugar imports already imported from Brazil by SRS as reported.
- Karnataka produced 15.84 lac tons of sugar after crushing 159.75 lac tons cane with an average recovery of 9.91% till 15th December 2012. However, existing production figures are higher compared to last year same period which stood at 13.39 lac tons with an average recovery of 10.59%.
- Thailand sugar production reached 2 million ton mark till December 2012 which is lower from 2.190 million tons, raw value, produced last year same period.
- Gur prices declined today owing to increase in gur arrivals in Muzaffar nagar market.
- Meanwhile, prices of gur should remain range bound in the coming week. However, we are expecting a sharp hike in gur prices after Makar Sakranti due to expected demand. Also, lower cane production in Maharashtra kept the gur production at lower side this year.

Outlook:

Sugar prices are moving down like anything. Meanwhile, 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	3215	3222	3209	3213
Feb-13	-4	3265	3275	3261	3273
Mar-13	1	3290	3304	3282	3300

Contract	Volume	Change	OI	Change
Jan-13	6250	-370	13490	-1330
Feb-13	7370	1440	29390	2700
Mar-13	980	-190	7950	390

Spread	Jan-13	Feb-13	Mar-13
Basis	7		
Jan-13		60	87
Feb-13			27

Stocks	Demat	In-Process	Total	FED
	04.01.13	04.01.13	04.01.13	31.12.12
Kolhapur M(old)	9420	0	9420	11750
Kolhapur S(old)	319	0	319	319
Kolhapur S(New)	927	0	927	927
Sangli S	-	-	-	-

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
13-Mar	511	521.9	508.4	510.4	-4.2
13-May	516.7	518.1	513.8	515.6	-4.3
13-Jul	520.7	520.9	517.3	519.1	-4.3

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Jan-13	-1.5	1078.5	1084.5	1077.5	1080
March-13	2	1104	1106.5	1098	1104
July-13	4.5	1233.5	1233.5	1226	1229

Contract	Volume	Change	OI	Change
Jan-13	1600	-400	1580	-640
March-13	2800	-1280	9810	-120
July-13	160	-20	790	30

Spread	Jan-13	Mar-13	July-13
Basis	-54		
Jan-13		24	149
Feb-13			125

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
13-Mar	19.06	19.1	18.77	18.85	-0.25
13-May	19.18	19.2	18.94	19	-0.23
13-Aug	19.37	19.39	19.15	19.19	-0.21

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	407.75	
Raw Sugar C&F (\$/MT)	Black Sea	436.75	
Sugar White FOB (\$/MT)	Santos Port	488.00	

Brazil White Sugar Premium (US\$/MT)

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

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Contract	Close	+/-
Dec'12	18.93	
Mar'12	18.19	
May'12	20.24	

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		05-Jan-13	04-Jan-13	
Sugar	Delhi - Grade M	3400	3425	-25
	Delhi - Grade S	3375	3375	Unch
	Delhi - Grade L	3430	3450	-20
	UP- Khatauli Grade M	-	-	-
	UP- Ramala Grade M (New)	3320	3320	Unch
	Mumbai –Grade M	3451	3450	1
	Mumbai –Grade S	3306	3311	-5
	Kolhapur – Grade M	3220	3220	Unch
	Kolhapur – Grade S	3150	3150	Unch
	Vijayawada – Grade M	3650	3650	Unch
	Vijayawada- Grade S	3550	3550	Unch
	Nagpur – Grade S	3450	3450	Unch
	Kolkata – Grade M	-	-	-
	Chennai - Grade S	3125	3125	Unch

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

Gur Spot Prices (Rs/Qtl)

		05-Jan-13	04-Jan-13	
Muzaffar Nagar	Chaku New	2563	2625	-62
	Arrival(Chaku New)	9000	10000	-1000
	Khurpa	2563	2563	Unch
	Laddu	2638	2638	Unch
	Rascut	-	-	-
Maharashtra	Lal Variety	2800	2800	Unch
Maharashtra	Kolhapur	3500	3500	Unch
Bangalore	Achhu	3500	3500	Unch
	Mudde	3600	3600	Unch
Belgaum	Mudde	-	3000	-
Belthangadi	Yellow (Average)	-	-	-
Bijapur	Achhu	-	3050	-

Gulbarga	Other (Average)	-	3000	-
Mahalingapura	Penti (Average)	-	3050	-
Mandya	Achhu (Medium)	2750	2750	Unch
	Kurikatu (Medium)	2450	2400	50
	Other (Medium)	2500	2500	Unch
	Yellow (Medium)	2700	2700	Unch
Shimoga	Achhu (Average)	3100	3100	Unch

UP Private Mills Tender Rates

Centre	Origin/Grade	05-Jan-13	04-Jan-13	Change
Dorala	M-30	3320	3320	Unch
Mawana	M-30	3330	3330	Unch
Modinagar	M-30	3315	3315	Unch
Malakpur	M-30	3290	3290	Unch
Simbholi	M-30	3420	3420	Unch
Asamoli	M-30	3425	3425	Unch
Dhanora	M-30	3325	3325	Unch
Dhampur	M-30	3290	3290	Unch
Kinnoni	M-31	3445	3445	Unch
Budhana	M-31	3340	3340	Unch
Thanabhavan	M-31	3340	3340	Unch

UP Government Mills Tender Rates

Centre	Origin/Grade	05-Jan-13	04-Jan-13	Change
Nazibabad	M-30	3200	3200	Unch
Sakoti	M-30	3220	3220	Unch
Amroha	M-30	3250	3250	Unch
Chandpur	M-31	3240	3240	Unch

UP Cooperative Mills Tender Rates

Centre	Origin/Grade	05-Jan-13	04-Jan-13	Change
Baghpat	M-30	3280	3280	Unch
Gajraula	M-30	3270	3270	Unch
BulandShahar	M-30	3290	3290	Unch
Anupshahar	M-30	3260	3260	Unch

Maharashtra Cooperative Mills Tender Prices

Centre	Origin/Grade	4-Jan-13
MALINAGAR	S.JK	3118
KOLPEWADI	S.JB	3206
	M.JB	3331
SAMARTH	S.PP	3135
	S1.JK	3210
SAGAR	S.JK	3141
	M.JB	3315
BIDRI	S.PP	3123
	M.PP	3248
AADINATH	S.PP	3108.00 OPEN

WARANA	S1.PP	3131
	S2.PP	3128.00 OPEN
RAYAT	S.JB	3255.00 OPEN
	M.JB	3345.00 OPEN
KAGAL	S2.PP-S1.PP	3240.00-3225.00
	M.PP	3340.00 OPEN
SARVODAY	S.PP-JB	3138.00-3168.00
	M.JB	3173.00 OPEN
WALWA	S.PP	3113.00 OPEN

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