

Sugar & Gur Domestic & International Fundamentals

- No major changes recorded in key sugar spot markets on Saturday.
- Maharashtra mills had crushed 28.45 million tons of cane and produce around 2.96 million tons of sugar with an average recovery of 10.42%. It is notable that mills have produce 2.87 million tons of sugar last year same period as reported.
- Brazil Center South cane crop rising to 600 million tons in 2013/14 season compared to estimate 520 million tons cane production in 2012/13, according to local analyst Safaris & Mercado. Higher sugar production figures this year from Brazil keep the sugar prices down in international arena presently.
- Farmers association demands hike in sugar import duty up to 60% from present 10% as increasing sugar imports weakens the sugar prices and raise difficulties in front of millers and eventually they are unable to pay cane payments to farmers.
- Premium of Rs 150 per quintal is applicable for Delhi delivery centre from Sugar May 2013 contract onwards. The May 2013 contract is getting launched today.
- Gur prices declined sharply today in Muzaffar nagar market owing to consistent arrivals in the market.
- Around 281000 bags of gur stored in Cold storages in Muzaffar nagar region which are 11000 bags higher compared to last year. Out of total gur stock, 110000 bags of chaku gur, 48000 bags of Rascut and 94000 bags of Papdi stored in Cold storages as reported.
- 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. After government intention not to hike import duty on both raw and white, prices are likely to follow the bearish trend in the coming days.

NCDEX Sugar Future Quotes:

Contract	+/-	Open	High	Low	Close
Jan-13	-4	3209.00	3209.00	3197.00	3197.00
Feb-13	5	3250.00	3257.00	3243.00	3256.00
Mar-13	3	3279.00	3288.00	3276.00	3285.00

Contract	Volume	Change	OI	Change
Jan-13	100	-10	9520	-90.00
Feb-13	2,900	-1270	36780	310.00
Mar-13	870	-70	8840	70.00

Spread	Jan-13	Feb-13	Mar-13
Basis	3		
Jan-13		59	29
Feb-13			29

Stocks	Demat	In-Process	Total	FED
	11.01.13	11.01.13	11.01.13	07.01.13
Kolhapur M(New)	4884	1149	6033	2935
Kolhapur S(New)	867	0	867	867
Sangli S	840	346	1186	-

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
13-Mar	18.95	19.19	18.85	19.17	0.21
13-May	19.19	19.38	19.09	19.36	0.15
13-Jul	19.45	19.64	19.38	19.63	0.13

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Jan-13	0.50	1073	1074.50	1069.00	1072.00
March-13	-1.50	1094	1094.00	1088.00	1091.50
July-13	-2.50	1233	1234.00	1228.50	1230.50

Contract	Volume	Change	OI	Change
Jan-13	320	-200	480	-10.00
March-13	2,160	-2880	8720	-260.00
July-13	280	-640	1480	-30.00

Spread	Jan-13	Mar-13	July-13
Basis	-28		
Jan-13		20	156.5
Feb-13			136.5

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
13-Mar	510.4	515	509.7	514.8	2.3
13-May	517.7	521.7	516.6	521.5	1.8
13-Aug	522.6	526.7	521.7	526.3	1.2

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	407.0	+2.0
Raw Sugar C&F (\$/MT)	Black Sea	436	+2.0
Sugar White FOB (\$/MT)	Santos Port	493.75	-0.25

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
		12-Jan-13	11-Jan-13	
Sugar	Delhi - Grade M	3390	3400	-10
	Delhi - Grade S	3350	3360	-10
	Delhi - Grade L	-	3425	-
	UP- Khatauli Grade M	3395	3395	Unch
	UP- Ramala Grade M	3280	3280	Unch
	Mumbai –Grade M	3441	3451	-10
	Mumbai –Grade S	3280	3292	-12
	Kolhapur – Grade M	3200	3200	Unch
	Kolhapur – Grade S	3100	3125	-25
	Vijayawada – Grade M	3600	3600	Unch
	Vijayawada- Grade S	3500	3500	Unch
	Nagpur – Grade S	3400	3450	-50
	Kolkata – Grade M	-	-	-
	Chennai - Grade S	3100	3100	Unch

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

Gur Spot Prices (Rs/Qtl)

		12-Jan-13	11-Jan-13	
Muzaffar Nagar	Chaku New	2575	2525	50
	Arrival(Chaku New)	12000	6000	6000
	Khurpa	2513	2563	-50
	Laddu	2575	2650	-75
	Rascut	-	-	-
Maharashtra	Lal Variety	2750	2750	Unch
Maharashtra	Kolhapur	3400	3400	Unch
Bangalore	Achhu	-	3500	-
	Mudde	-	3600	-
Belgaum	Mudde	-	3000	-
Belthangadi	Yellow (Average)	-	-	-
Bijapur	Achhu	-	-	-

Gulbarga	Other (Average)	-	-	-
Mahalingapura	Penti (Average)	-	-	-
Mandya	Achhu (Medium)	-	2700	-
	Kurikatu (Medium)	-	2450	-
	Other (Medium)	-	2450	-
	Yellow (Medium)	-	2700	-
Shimoga	Achhu (Average)	-	3090	-

UP Private Mills Tender Rates				
Centre	Origin/Grade	12-Jan-13	11-Jan-13	Change
Dorala	M-30	3320	3320	Unch
Mawana	M-30	3335	3335	Unch
Modinagar	M-30	3310	3310	Unch
Malakpur	M-30	3290	3290	Unch
Simbholi	M-30	3400	3400	Unch
Asamoli	M-30	3390	3390	Unch
Dhanora	M-30	3280	3280	Unch
Dhampur	M-30	3280	3280	Unch
Kinnoni	M-31	3435	3435	Unch
Budhana	M-31	3320	3320	Unch
Thanabhavan	M-31	3310	3310	Unch
UP Government Mills Tender Rates				
Centre	Origin/Grade	12-Jan-13	11-Jan-13	Change
Nazibabad	M-30	3200	3200	Unch
Sakoti	M-30	3250	3250	Unch
Amroha	M-30	3250	3250	Unch
Chandpur	M-31	3245	3245	Unch
UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	12-Jan-13	11-Jan-13	Change
Baghpat	M-30	3230	3230	Unch
Gajraula	M-30	3220	3220	Unch
BulandShahar	M-30	3260	3260	Unch
Anupshahar	M-30	3200	3200	Unch

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