

Sugar & Gur Domestic & International Fundamentals

- Mixed sentiments recorded in key sugar spot markets on Thursday as markets could not find adequate cues to decide the prices either side.
- Government today hike the Fair Remunerative Price of Sugarcane by 23.5% to Rs. 210/Quintal for 2013-14. It is notable that last year FRP of sugarcane was Rs 170/ Quintal. This move could encourage farmers to plant more sugarcane in their respective fields for the coming year as sugarcane crop proved more competitive crop compared to Rice, wheat and cotton as estimated.
- Thai raw sugar premium increased this week and trading at 90 points over New York's March Sugar futures.
- Brazil Center South sugar production ends at 34.1 million tons in 2012-13.
- Sugar prices again follow bear run as no bullish news hit the domestic market at present. In addition to it, increasing sugar imports from Brazil and increasing sugar crushing figures Y-o-Y support the bearish sentiments.
- Recent, government relaxed its norms to convert unsold sugar into levy sugar in the given period of release from December to March.
- Gur prices traded steady today despite of weak arrivals.
- Good demand of UP gur has been witnessed from Haryana, Punjab and Rajasthan confirmed by lower pace of gur stored in the cold storages compared to last couple of weeks.
- Around 313000 bags of gur stored in Cold storages in Muzaffar nagar region which are 4000 bags higher compared to last year. Out of total gur stock, 129000 bags of chaku gur, 55000 bags of Rascut and 99000 bags of Papdi stored in Cold storages as reported.

Outlook:

Despite of extension of releasing sugar quota in the open market, sugar prices again started declining owing to consistent sugar imports from Brazil which bound our sugar prices estimate bearish for the coming weeks.

NCDEX Sugar Future Quotes:

Contract	+/-	Open	High	Low	Close
Feb-13	-48	3191	3191	3097	3141
Mar-13	-34	3230	3230	3190	3197
Apr-13	-31	3255	3272	3246	3255

Contract	Volume	Change	OI	Change
Feb-13	10720	6600	35690	-2430
Mar-13	5920	4990	15910	960
Apr-13	800	570	6160	290

Spread	Feb-13	Mar-13	Apr-13
Basis	84		
Feb-13		56	114
Mar-13			58

Stocks	Demat	In-Process	Total	FED
	30.01.13	30.01.13	30.01.13	28.01.13
Kolhapur M(New)	9900	500	10400	8401
Kolhapur S(New)	577	700	1277	577
Sangli S	1334	0	1334	1334

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
13-Mar	491.9	497	486.9	496.8	9
13-May	502.5	507	497.4	506.7	7.3
13-Jul	509	513.2	503.8	512.2	6.7

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
March-13	-2	1119	1120	1114.5	1117.5
July-13	1	1264.5	1265.5	1259	1264
Sept-13	-	-	-	-	-

Contract	Volume	Change	OI	Change
March-13	2980	-2290	8560	-100
July-13	890	-750	2320	40
Sept-13	0	-80	310	0

Spread	Mar-13	July-13	Sept-13
Basis	-57.5		
Mar-13		146.5	
July-13			

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
13-Mar	18.6	18.76	18.27	18.71	0.33
13-May	18.51	18.77	18.35	18.74	0.3
13-Aug	18.83	19.06	18.67	19.04	0.27

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	411.25	-0.25
Raw Sugar C&F (\$/MT)	Black Sea	441.25	-0.25
Sugar White FOB (\$/MT)	Santos Port	490.25	-0.25

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Mar'13/Mar'13	91.00	
May'13/May'13	94.00	
Aug'13/July'13	92.25	

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Contract	Close	+/-
Dec'12	19.07	
Mar'12	20.02	
May'12	18.54	

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		31-Jan-13	30-Jan-13	
Sugar	Delhi - Grade M	3400	3380	20
	Delhi - Grade S	3360	3340	20
	Delhi - Grade L	3430	3410	20
	UP- Khatauli Grade M	3400	3400	Unch
	UP- Ramala Grade M	3300	3300	Unch
	Mumbai –Grade M	3441	3441	Unch
	Mumbai –Grade S	3288	3292	-4
	Kolhapur – Grade M	3225	3240	-15
	Kolhapur – Grade S	3125	3140	-15
	Vijayawada – Grade M	3570	3570	Unch
	Vijayawada- Grade S	3470	3470	Unch
	Nagpur – Grade S	3400	3400	Unch
	Kolkata – Grade M	-	-	-
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3150	3150	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	3145	3145	Unch
Chennai - Grade S	3100	3100	Unch	

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

Gur Spot Prices (Rs/Qtl)

		31-Jan-13	30-Jan-13	
Muzaffar Nagar	Chaku New	2650	2650	Unch
	Arrival(Chaku New)	3000	5000	-2000
	Khurpa	2638	2613	25
	Laddu	2750	2788	-38
	Rascut	-	-	-
Maharashtra	Lal Variety	2800	2800	Unch
Maharashtra	Kolhapur	3200	3200	Unch
Bangalore	Achhu	3000	3500	-500
	Mudde	3300	3600	-300
Belgaum	Mudde	3000	3000	Unch

Belthangadi	Yellow (Average)	3200	3200	Unch
Bijapur	Achhu	-	-	-
Gulbarga	Other (Average)	2830	2800	30
Mahalingapura	Penti (Average)	3000	2860	140
Mandya	Achhu (Medium)	2500	2500	Unch
	Kurikatu (Medium)	2350	2350	Unch
	Other (Medium)	2300	2300	Unch
	Yellow (Medium)	2500	2500	Unch
Shimoga	Achhu (Average)	2975	3000	-25

UP Private Mills Tender Rates

Centre	Origin/Grade	31-Jan-13	30-Jan-13	Change
Dorala	M-30	3310	3310	Unch
Mawana	M-30	3345	3345	Unch
Modinagar	M-30	3285	3285	Unch
Malakpur	M-30	3270	3270	Unch
Simbholi	M-30	3400	3400	Unch
Asamoli	M-30	3360	3360	Unch
Dhanora	M-30	3280	3280	Unch
Dhampur	M-30	3280	3280	Unch
Kinnoni	M-31	3410	3410	Unch
Budhana	M-31	3310	3310	Unch
Thanabhavan	M-31	3305	3305	Unch

UP Government Mills Tender Rates

Centre	Origin/Grade	31-Jan-13	30-Jan-13	Change
Nazibabad	M-30	3185	3185	Unch
Sakoti	M-30	3230	3230	Unch
Amroha	M-30	3270	3270	Unch
Chandpur	M-31	3260	3260	Unch

UP Cooperative Mills Tender Rates

Centre	Origin/Grade	31-Jan-13	30-Jan-13	Change
Baghpat	M-30	3240	3240	Unch
Gajraula	M-30	3200	3200	Unch
BulandShahar	M-30	3265	3265	Unch
Anupshahar	M-30	3190	3190	Unch

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