

Sugar & Gur Domestic & International Fundamentals:

- Steady to firm sentiments witnessed in various sugar spot markets on Monday. Good bulks as well as retail sugar demand drive the sugar prices upward.
- Industry demand to cut levy sugar quota from 10% to 5% to counter mounting losses of millers in India. It is notable that millers have to sell around 25-26 lac tons of sugar to government agencies at subsidized rates (~19 Rs per quintal) every year that is much lower than cost of production of sugar which increase the losses of millers.
- FO Litch raised its global sugar production estimate by 1 million tons to 176.8 million tons, raw value. Estimated global production for 2011-12 is 11.1 million tons higher compared to 2010-11.
- Prices of Chaku gur continue its bull run in Muzaffar nagar market today. Demand of gur came from Rajasthan and UP centers. Presently, manufacturers process papdi and wet gur by adding sugar into it to make pedi and sell it into the market at Rs 3200 per quintal. Medium term outlook seems bullish in gur due to increasing offtake and expected demand of gur would come from Gujarat and Rajasthan after Monsoon.
- Last week around 53000 bags of gur sold out from Cold storages which indicate good demand of gur which have led the prices up during last week in Muzaffar nagar spot mandi.
- Around 1263000 bags (40 kg each) has been stored in Muzaffar nagar cold storage till 25th June 2012 which are 18000 bags higher compared to last year same period stock position of gur. Out of total gur stock position, there are around 869000 bags of Chaku variety and 149000 bags of Papdi variety gur stored in Cold storages.

Outlook:

Sugar prices surged recently owing to bulk demand and surge in international sugar prices. However, prices should take a correction considering weak sentiments in international markets. However, gur prices are likely to move up due to good domestic demand.

NCDEX Sugar Futures

Contract	+/-	Open	High	Low	Close
July-12	-7.00	2890.00	2914.00	2890.00	2893.00
Aug-12	-4.00	2927.00	2939.00	2921.00	2922.00
Sept-12	-11.00	2955.00	2968.00	2951.00	2951.00

Contract	Volume	Change	OI	Change
July-12	3190	-2360	19970	-890
Aug-12	2440	-910	17470	30
Sept-12	790	-50	5810	460

Spread	July-12	Aug-12	Sept-12
Basis			
July-12			
Sept-12			

Stocks	Demat	In-Process	Total	FED
	23-06-12	23-06-12	23-06-12	18-06-12
Kolhapur M	240	500	740	4432
Kolhapur S	-	-	-	500
Sangli S	-	-	-	-

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Aug-12					
Oct -12					
Dec -12					

NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
July-12	-8.00	1155.50	1160.00	1147.00	1149.00
Sept-12	-2.00	1191.00	1199.50	1190.00	1193.00
Nov-12	-	-	-	-	-

Contract	Volume	Change	OI	Change
July-12	4290	1350	8500	160
Sept-12	2970	1350	7010	640
Nov-12	0	0	160	0

Spread	July-12	Sept-12	Nov-12
Basis	1		
July-12		44	
Sept-12			-93

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Jul-12					
Oct-12					
Mar-13					

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	458.75	-19.50
Raw Sugar C&F (\$/MT)	Black Sea	500.75	-20.50
Sugar White FOB (\$/MT)	Santos Port	561.00	-18.25

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Aug'12/Jul'12	138.5	
Oct'12/Oct'12	111.25	
Dec'12/Oct'12	95.6	

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Commodity	Price	Change
Brazil Domestic Sugar	20.55	
Brazil Anhydrous	19.21	
Brazil Hydrous	17.02	

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		25-6-2012	23-6-2012	Change
Sugar	Delhi - Grade M	3160	3160	Unch
	Delhi - Grade S	3075	3070	+5
	Delhi - Grade L	3200	3190	+10
	UP- Khatauli Grade M	3140	3150	-10
	UP- Ramala Grade M	3065	3070	-5
	Mumbai –Grade M	3171	3171	Unch
	Mumbai –Grade S	3011	2996	+15
	Kolhapur – Grade M	-	2975	-
	Kolhapur – Grade S	-	2875	-
	Vijayawada – Grade M	3350	3320	+30
	Vijayawada- Grade S	3250	3220	+50
	Nagpur – Grade S	3100	3100	Unch
	Kolkata – Grade M	3235	3235	Unch
	Chennai - Grade S		2910	Unch

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

Gur Spot Prices (Rs/Qtl)

Markets	Variety	25-6-2012	23-6-2012	Change
Muzaffar Nagar	Khurpa	2875	2850	+25
	Laddu	-	-	-
	Rascut	2735	2713	+22
	Sukha (Cold)	2875	2875	Unch
	Gila	2825	2825	Unch
Maharashtra	Lal Variety	3050	3000	+50
Bangalore	Achhu	3000	3000	Unch
	Mudde	3200	3200	Unch
Belgaum	Mudde	-	2800	-
Belthangadi	Yellow (Average)	3150	3150	Unch
Bijapur	Achhu	2615	2600	+15
Gulbarga	Other (Average)	2325	2300	+25
Mahalingapura	Penti (Average)	2880	-	-
Mandya	Achhu (Medium)	2450	2450	Unch
	Kurikatu (Medium)	2250	2250	Unch
	Other (Medium)	2350	2350	Unch
	Yellow (Medium)	2400	2400	Unch
Shimoga	Achhu (Average)	-	3125	-

UP Private Mills Tender Rates				
Centre	Origin/Grade	25-6-2012	23-6-2012	Change
Dorala	M-30	3090	3090	Unch
Mawana	M-30	3105	3105	Unch
Modinagar	M-30	3070	3070	Unch
Malakpur	M-30	3080	3080	Unch
Simbholi	M-30	3190	3190	Unch
Asamoli	M-30	3160	3160	Unch
Dhanora	M-30	3080	3080	Unch
Dhampur	M-30	3050	3050	Unch
Kinnoni	M-31	3255	3255	Unch
Budhana	M-31	3085	3085	Unch
Thanabhavan	M-31	3080	3080	Unch
UP Government Mills Tender Rates				
Centre	Origin/Grade	25-6-2012	23-6-2012	Change
Morna	M-30	2990	2990	Unch
Nanotha	M-30	2990	2990	Unch
Nazibabad	M-30	2970	2970	Unch
Ramlaxman	M-30	-	-	-
Sakoti	M-30	2960	2960	Unch
Amroha	M-30	2990	2990	Unch
Chandpur	M-30	2980	2980	Unch
UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	25-6-2012	23-6-2012	Change
Baghpat	M-30	3005	3005	Unch
Gajraula	M-30	2980	2980	Unch
BulandShahar	M-30	3045	3045	Unch
Anupshahar	M-30	2980	2980	Unch

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