

Sugar & Gur Domestic & International Fundamentals:

- Sugar prices showed slight upward movement in prices on Wednesday. Prices are likely to fall as government decision to release more sugar in the open market.
- Government on Wednesday releases 2.9lac. tonne of sugar to arrest the rising prices. Centre converted unsold levy sugar into non-levy sugar, which millers can sell in the open market, also asking them to sell it before end-August.
- According to Union Minister for consumer affairs, food and distribution, there is draught threat in some areas of Maharashtra, which is a major sugarcane growing state. But the sugarcane production will remain more or less same.
- Empowered Committee on Economic Affairs (CCEA) has increased Fair and Remunerative Price (FRP) to Rs170/quintal for 2012-13 from Rs 145/quintal last year. CCEA has raised the statutory minimum price for sugarcane by 17.25% to pay off farmers for rising cultivation costs. Increased FRP may not cover entire cost of production (especially labour and diesel costs) due to this farmers may suffer from losses. Sugarcane producers wait for the state advised price (SAP) is announced later by Uttar Pradesh, Punjab and Tamil Nadu, the FRP as its base.
- According to Agriculture department of Rajasthan Sugarcane has been planted in 5.4 thousand hectares so far. Sugarcane has been planted in 0.3 thousand hectares less than that in 2011-12.
- Sugarcane has been planted in 52.81 lac. hectares so far. Sugarcane has been planted in 2.02 lakh hectares more than that in 2011-12. (Source: Pib)
- Around 1084000 bags (40 kg each) of Gur has been stored in Muzaffar nagar cold storage till 23rd July 2012, which are 977000 bags higher compared to same period in last year, stock position. Out of total gur stock position, there are around 750000 bags of Chaku variety and 121000 bags of Papdi variety gur stored in Cold storages.

Outlook:

Sugar prices at NCDEX continued uptrend while spot market showed decline in prices, on government decision to release more sugar in the market. Sugar prices are likely to fall further as stockiest might reduced off take further. However, gur prices are likely to remain steady due to restricted demand.

NCDEX Sugar Futures

Contract	+/-	Open	High	Low	Close
Aug-12	10	3305	3375	3289	3342
Sept-12	28	3381	3445	3341	3393
Oct-12	33	3335	3490	3335	3430

Contract	Volume	Change	OI	Change
Aug-12	35650	4510	34110	1000
Sept-12	28800	9460	36250	4780
Oct-12	3850	340	12560	1050

Spread	Aug-12	Sept-12	Oct-12
Basis	208		
Aug-12		51	
Sept-12			37

Stocks	Demat	In-Process	Total	FED
	24-07-12	24-07-12	24-07-12	23-07-12
Kolhapur M	1458	0	1458	1518
Kolhapur S	34	0	34	34
Sangli S	-	-	-	-

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Oct-12	644.5	647.6	633	638.2	-7.4
Dec-12	619.8	624.1	612.1	616.8	-4.3
Mar-13	621.6	626.1	614.6	619.5	-3.2

NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
Sept-12	-9	1296	1308	1294	1298
Nov-12	5	1185.5	1193.5	1185.5	1187.5
Dec-12	12	1160	1160	1160	1170

Contract	Volume	Change	OI	Change
Sept-12	12810	5300	14270	1230
Nov-12	1430	1100	1820	320
Dec-12	40	30	520	10

Spread	Sept-12	Nov-12	Dec-12
Basis	-98		
Sept-12		-110.5	
Nov-12			-17.5

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Oct-12	23.88	23.92	23.19	23.49	-0.4
Mar-13	23.9	24.07	23.48	23.73	-0.23
May-13	23.32	23.48	22.99	23.19	-0.13

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	524.75	-3.25
Raw Sugar C&F (\$/MT)	Black Sea	565.75	-3.25
Sugar White FOB (\$/MT)	Santos Port	609.25	-3.25

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Oct'12/Oct'12	120.5	-0.25
Dec'12/Oct'12	99	3
Dec'12/Mar'13	93.75	-0.5

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Commodity	Price	Change
Brazil Domestic Sugar	22.28	0.08
Brazil Anhydrous	18.93	-0.13
Brazil Hydrous	16.89	-0.12

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		25-7-2012	24-7-2012	
Sugar	Delhi - Grade M	3530	3550	-20
	Delhi - Grade S	3480	3490	-10
	Delhi - Grade L	3550	3560	-10
	UP- Khatauli Grade M	3610	3600	+10
	UP- Ramala Grade M	3485	3480	+5
	Mumbai –Grade M	3561	3591	-30
	Mumbai –Grade S	3456	3491	-35
	Kolhapur – Grade M	-	3550	-
	Kolhapur – Grade S	-	3450	-
	Vijayawada – Grade M	3830	3800	+30
	Vijayawada- Grade S	3720	3690	+30
	Nagpur – Grade S	3550	3600	-50
	Kolkata – Grade M	3520	-	-
	Chennai - Grade S	3500	3450	+50

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

Gur Spot Prices (Rs/Qtl)				
		25-7-2012	24-7-2012	
Muzaffar Nagar	Khurpa	3100	3200	-100
	Laddu	-	-	-
	Rascut	2935	2963	-28
	Sukha (Cold)	3000	3050	-50
	Gila	2950	3000	-50
Maharashtra	Lal Variety	3200	3200	Unch
Bangalore	Achhu	3000	3000	Unch
	Mudde	3100	3100	Unch
Belgaum	Mudde	-	-	-
Belthangadi	Yellow (Average)	2950	2900	+50
Bijapur	Achhu	-	2945	-
Gulbarga	Other (Average)	2900	2900	Unch
Mahalingapura	Penti (Average)	3130	2990	+140
Mandya	Achhu (Medium)	2550	2600	-50
	Kurikatu (Medium)	2300	2300	Unch
	Other (Medium)	2400	2350	+50
	Yellow (Medium)	2450	2450	Unch
Shimoga	Achhu (Average)	3125	3100	+25

UP Private Mills Tender Rates				
Centre	Origin/Grade	25-7-2012	24-7-2012	Change
Dorala	M-30	3540	3540	Unch
Mawana	M-30	3550	3550	Unch
Modinagar	M-30	3520	3520	Unch
Malakpur	M-30	3500	3500	Unch
Simbholi	M-30	3620	3620	Unch
Asamoli	M-30	3600	3600	Unch
Dhanora	M-30	3540	3540	Unch
Dhampur	M-30	3530	3530	Unch
Kinnoni	M-31	3660	3660	Unch
Budhana	M-31	3550	3550	Unch
Thanabhavan	M-31	3540	3540	Unch
UP Government Mills Tender Rates				
Centre	Origin/Grade	25-7-2012	24-7-2012	Change
Morna	M-30	3410	3410	Unch
Nanotha	M-30	3380	3380	Unch
Nazibabad	M-30	3380	3380	Unch
Sakoti	M-30	3400	3400	Unch
Amroha	M-30	3430	3430	Unch
Chandpur	M-30	3430	3430	Unch
UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	25-7-2012	24-7-2012	Change
Baghpat	M-30	3410	3410	Unch
Gajraula	M-30	3380	3380	Unch
BulandShahar	M-30	3420	3420	Unch
Anupshahar	M-30	3370	3370	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	24-07-2012
SIDHENATH	S.PP	3345
	S1.PP	3361
BHIMA SHANKAR	S/30	3430
BHAIRAVANATH	S1.PP	3400
AMBEDKAR	S1.PP	3353.00-3358.00
	S1.JK	3360
KOLPEWADI	S1.PP-S2.PP	3470.00-3390.00
	M.JB	3510
VENKTESH	S.PP	3400
VRIDHESHWAR	S.PP	3400
SAHYADRI	S.PP	3388.00 OPEN
HAMIDWADA	S.JK	3408
BHOGAWATI	M.PP	3548.00 OPEN

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