

Sugar & Gur Domestic & International Fundamentals

- Sugar prices are continuously moving downwards in key spot markets today taking cues from increased sugar quota and weak international sugar price sentiments.
- Indian sugar mills produced 25.9 million tons of sugar in the MY 2011-12 till 31st July 2012 with 25 southern sugar mills are still running their cane crushing operations which might take the sugar production figure more than 26 million tons. It is noticeable that Agriwatch has estimate 25.9 million tons of sugar production for 2011-12 a year ago which has now almost achieved.
- Sugarcane area has increased by 4% Y-o-Y to 5.288 million hectares for the coming MY 2012-13. Increase in cane area is contributed by states like UP and Bihar. It is notable that sugarcane area covered around 5.45% of total agricultural land area.
- Gur prices are continuously declining in Muzaffar nagar markets owing to higher stock position of gur kept in the cold storages. In addition to it, weak offtake of gur also pressurizing the prices of gur in the coming days.
- Around 844000 bags (40 kg each) of Gur has been stored in Muzaffar nagar cold storage till 21st August 2012, which are 144000 bags higher compared to same period in last year, stock position. Out of total gur stock position, there are around 596000 bags of Chaku variety gur stored in Cold storages.

Outlook:

Sugar prices are moving range bound at present as markets are in confusion over sugar production scenario and lack of clarity over yield of sugarcane for the coming season. **We expect prices will move in a range with weak tone in the coming days.**

NCDEX Sugar Futures

Contract	+/-	Open	High	Low	Close
Sept-12	-13	3430	3432	3410	3420
Oct-12	-14	3482	3485	3460	3472
Nov-12	-21	3485	3488	3467	3475

Contract	Volume	Change	OI	Change
Sept-12	10910	-8860	28290	40
Oct-12	4180	-3210	20560	-30
Nov-12	650	-910	13090	-10

Spread	Sept-12	Oct-12	Nov-12
Basis	30		
Sept-12		52	55
Oct-12			3

Stocks	Demat	In-Process	Total	FED
	24-08-12	24-08-12	24-08-12	21-08-12
Kolhapur M	0	400	400	-
Kolhapur S	339	0	339	339
Sangli S	-	-	-	-

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Oct-12	546.5	549.5	544.9	549.4	2.3
Dec-12	545.3	547.7	543.3	547.1	1.5
Mar-13	548.6	552.7	547.6	550.8	0.8

NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
Sept-12	-11.5	1167.5	1168	1156	1157
Nov-12	-10.5	1188	1189.5	1164	1182.5
Dec-12	-2	1147	1158	1120.5	1153

Contract	Volume	Change	OI	Change
Sept-12	5630	-2180	13250	-450
Nov-12	2880	1250	4050	-60
Dec-12	940	320	1610	10

Spread	Sept-12	Nov-12	Dec-12
Basis	-7		
Sept-12		25.5	-4
Nov-12			-29.5

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Oct-12	19.62	19.74	19.48	19.58	-0.01
Mar-13	20.47	20.48	20.22	20.29	-0.04
May-13	20.45	20.45	20.2	20.25	-0.05

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	427.75	-1.75
Raw Sugar C&F (\$/MT)	Black Sea	457.75	-1.75
Sugar White FOB (\$/MT)	Santos Port	525.25	-1.75

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Oct'12/Oct'12	117.25	2.75
Dec'12/Oct'12	115	2
Dec'12/Mar'13	99.25	2.25

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Commodity	Price	Change
Brazil Domestic Sugar	21.11	Unch
Brazil Anhydrous	18.74	Unch
Brazil Hydrous	17.06	Unch

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		25-8-2012	24-8-2012	
Sugar	Delhi - Grade M	3590	3610	-20
	Delhi - Grade S	-	-	-
	Delhi - Grade L	3610	3630	-20
	UP- Khatauli Grade M	3545	3550	-5
	UP- Ramala Grade M	3460	3525	-65
	Mumbai –Grade M	3661	3671	-10
	Mumbai –Grade S	3506	3518	-12
	Kolhapur – Grade M	3450	3500	-50
	Kolhapur – Grade S	-	3400	-
	Vijayawada – Grade M	4000	4000	Unch
	Vijayawada- Grade S	3860	3860	Unch
	Nagpur – Grade S	3600	3600	Unch
	Kolkata – Grade M	-	3700	-
	Chennai - Grade S	3530	3530	Unch

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

Gur Spot Prices (Rs/Qtl)				
		25-8-2012	24-8-2012	
Muzaffar Nagar	Khurpa	2700	2750	-50
	Laddu	2800	2800	Unch
	Rascut	2838	2850	-12
	Sukha (Cold)	2875	2875	Unch
	Gila	2825	2825	Unch
Maharashtra	Lal Variety	3150	3150	Unch
Bangalore	Achhu	3000	3000	Unch
	Mudde	3100	3100	Unch
Belgaum	Mudde	-	-	-
Belthangadi	Yellow (Average)	-	2900	-
Bijapur	Achhu	-	-	-
Gulbarga	Other (Average)	-	3300	-
Mahalingapura	Penti (Average)	-	3130	-
Mandya	Achhu (Medium)	-	2450	-
	Kurikatu (Medium)	-	2300	-
	Other (Medium)	-	2350	-
	Yellow (Medium)	-	2450	-
Shimoga	Achhu (Average)	-	3200	-

UP Private Mills Tender Rates				
Centre	Origin/Grade	25-8-2012	24-8-2012	Change
Dorala	M-30	3485	3485	Unch
Mawana	M-30	3520	3520	Unch
Modinagar	M-30	3465	3465	Unch
Malakpur	M-30	3450	3450	Unch
Simbholi	M-30	3610	3610	Unch
Asamoli	M-30	3600	3600	Unch
Dhanora	M-30	3490	3490	Unch
Dhampur	M-30	-	-	-
Kinnoni	M-31	3770	3770	Unch
Budhana	M-31	-	-	-
Thanabhavan	M-31	-	-	-

UP Government Mills Tender Rates				
Centre	Origin/Grade	25-8-2012	24-8-2012	Change
Morna	M-30	3430	3430	Unch
Nanotha	M-30	3410	3410	Unch
Nazibabad	M-30	3400	3400	Unch
Sakoti	M-30	3420	3420	Unch
Amroha	M-30	-	-	-
Chandpur	M-30	-	-	-

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	25-8-2012	24-8-2012	Change
Baghpat	M-30	3430	3430	Unch
Gajraula	M-30	3410	3410	Unch
BulandShahar	M-30	-	-	-
Anupshahar	M-30	3400	3400	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	24-08-2012
BHENDA	M.PP	3402
MULA	S1.PP	3361
	M.PP	3391
VENKTESH	S.PP	3378
GHODGANGA	S.PP	3325.00 OPEN
TAKLI	S.PP	3373
	M.PP	3451
JAWAHAR	S2.PP	3403.00 OPEN
	M2.PP-M1.PP	3432.00-3473.00
DATT SHIROL	S1.PP	3375
VISHWAS	M.PP	3408
	M1.JB	3488
KRISHNA	S2.JK	3348
	S2.JB	3358
WARANA	S1.PP	3473
	S1.PP	3398.00 OPEN

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