

Sugar & Gur Domestic & International Fundamentals

- Prices fell sharply today owing to weak export scenario owing to declining international prices. Also, weak offtake of sugar in domestic markets support the bearishness.
- ISMA asks government to allow sugar exporters to surrender sugar export permits without any fine. It is notable that DGFT released around 14.5 lac tons of sugar export permits out of which about 9 lac tons of sugar has been dispatched from factories and rest 5 lac tons of sugar still left to be exported. Pick up of cane crushing in Brazil and M-o-M increase in sugar exports from biggest sugar exporter, Brazil; decline the prices of sugar in international markets. In addition to it, sharp surge in sugar prices domestically disturbs the sugar export parity for sugar exporter.
- Steady to weak sentiments recorded in gur prices 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.
- With around 8.5 lac bags (each 40kg) still left in the cold storages and weak offtake, we expect prices are likely to stay weak in the upcoming weeks.

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	8	3416	3434	3382	3428
Oct-12	11	3461	3488	3445	3478
Nov-12	4	3479	3486	3470	3475

Contract	Volume	Change	OI	Change
Sept-12	16630	5720	26220	-2070
Oct-12	9410	5230	22160	1600
Nov-12	1660	1010	12970	-120

Spread	Sept-12	Oct-12	Nov-12
Basis	-3		
Sept-12		50	47
Oct-12			-3

Stocks	Demat 24-08-12	In-Process 24-08-12	Total 24-08-12	FED 21-08-12
Kolhapur M	0	400	400	-
Kolhapur S	39	0	339	339
Sangli S	-	-	-	-

LIFFE Sugar Futures (In US\$/MT)

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

NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
Sept-12	0.5	1155	1169.5	1151	1158
Nov-12	-8	1189.5	1189.5	1170.5	1174
Dec-12	-3	1148	1157	1141	1147.5

Contract	Volume	Change	OI	Change
Sept-12	8330	2700	12860	-390
Nov-12	2810	-70	3810	-240
Dec-12	670	-270	1770	160

Spread	Sept-12	Nov-12	Dec-12
Basis	-8		
Sept-12		16	-10.5
Nov-12			-26.5

ICE Sugar Futures (In Cents/Pound)

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

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	426.25	-1.50
Raw Sugar C&F (\$/MT)	Black Sea	454.25	-3.5
Sugar White FOB (\$/MT)	Santos Port	523.75	-1.50

Brazil White Sugar Premium (US\$/MT)

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

Brazil Sugar/ Ethanol Prices (In Cents/lb)

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

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		27-8-2012	25-8-2012	
Sugar	Delhi - Grade M	3550	3590	-40
	Delhi - Grade S	-	-	-
	Delhi - Grade L	3580	3610	-30
	UP- Khatauli Grade M	3545	3545	Unch
	UP- Ramala Grade M	3460	3460	Unch
	Mumbai –Grade M	3636	3661	-25
	Mumbai –Grade S	3476	3506	-30
	Kolhapur – Grade M	3425	3450	-25
	Kolhapur – Grade S	3325	-	-
	Vijayawada – Grade M	4000	4000	Unch
	Vijayawada- Grade S	3860	3860	Unch
	Nagpur – Grade S	3600	3600	Unch
	Kolkata – Grade M	-	-	-
	Chennai - Grade S	3520	3530	-10

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

Gur Spot Prices (Rs/Qtl)				
		27-8-2012	25-8-2012	
Muzaffar Nagar	Khurpa	2700	2700	Unch
	Laddu	-	2800	-
	Rascut	2813	2838	-25
	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	3200	3200	Unch
Belthangadi	Yellow (Average)	2900	2900	Unch
Bijapur	Achhu	-	-	-
Gulbarga	Other (Average)	3350	3350	Unch
Mahalingapura	Penti (Average)	2940	-	-
Mandya	Achhu (Medium)	-	2450	-
	Kurikatu (Medium)	-	2300	-
	Other (Medium)	-	2400	-
	Yellow (Medium)	-	2400	-
Shimoga	Achhu (Average)	3225	3250	-25

UP Private Mills Tender Rates				
Centre	Origin/Grade	27-8-2012	25-8-2012	Change
Dorala	M-30	3445	3485	-40
Mawana	M-30	3490	3520	-30
Modinagar	M-30	3440	3465	-25
Malakpur	M-30	3440	3450	-10
Simbholi	M-30	3570	3610	-40
Asamoli	M-30	3570	3600	-30
Dhanora	M-30	3460	3490	-30
Dhampur	M-30	-	-	-
Kinnoni	M-31	3740	3770	-30
Budhana	M-31	-	-	-
Thanabhavan	M-31	-	-	-
UP Government Mills Tender Rates				
Centre	Origin/Grade	27-8-2012	25-8-2012	Change
Morna	M-30	3360	3430	-70
Nanotha	M-30	3340	3410	-70
Nazibabad	M-30	3330	3400	-70
Sakoti	M-30	3340	3420	-80
Amroha	M-30	-	-	-
Chandpur	M-30	-	-	-
UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	27-8-2012	25-8-2012	Change
Baghpat	M-30	3370	3430	-60
Gajraula	M-30	3340	3410	-70
BulandShahar	M-30	-	-	-
Anupshahar	M-30	3340	3400	-60

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