

Sugar & Gur Domestic & International Fundamentals

- Steady to weak sentiments prevailed in key spot markets of sugar on Thursday. Selling pressure of sugar by millers kept the prices under control at present.
- India should remove duty on Sugar imports in order to curb the rising sugar prices. It is notable that international sugar prices are moving downwards like anything thanks to Brazilian sugar supply hitting International consuming countries. On the contrary, lower Indian sugar production estimates by various trade houses for next marketing year and upcoming festival seasons led the prices of sugar northwards during couple of months which also remove the export opportunity in front of Indian sugar exporters.
- NFCSF estimated India's sugar output to reach at 24.5 million tons for 2012-13.
- Sugar production in Karnataka is likely to decline by 30% approx to 3 million tons in 2012-13 from 3.8 million tons produced in 2011-12.
- Gur prices declined today in Muzaffar nagar spot market. Weak demand and competition with new MP gur led the prices of gur. However, any rainfall in UP cane region would take the prices of gur up.
- It is notable that some kolhus has started to make gur in Khatauli (Muzaffar nagar) region as reported.
- Around 568000 bags (40 kg each) of Gur has been stored in Muzaffar nagar cold storage till 11th September 2012, which are 148000 bags higher compared to same period in last year, stock position. Out of total gur stock position, there are around 375000 bags of Chaku variety gur stored in Cold storages.

Outlook:

Prices of sugar are moving range bound with weak tone considering extension of sugar quota unsold from August month which is going to sold in the coming days. Also, weak international prices led by moderate monthly sugar exports from Brazil pressurize the sugar prices. We expect prices of sugar likely to remain range bound with weak tone in the coming days.

NCDEX Sugar Futures

Contract	+/-	Open	High	Low	Close
Sept-12	10	3455	3460	3455	3460
Oct-12	20	3535	3557	3527	3555
Nov-12	18	3533	3556	3527	3554

Contract	Volume	Change	OI	Change
Sept-12	130	-200	3670	-100
Oct-12	12230	-2430	41820	-980
Nov-12	2350	-90	16230	610

Spread	Sept-12	Oct-12	Nov-12
Basis	40		
Sept-12		95	94
Oct-12			-1

Stocks	Demat 12-09-12	In-Process 12-09-12	Total 12-09-12	FED 10-09-12
Kolhapur M	2267	0	2267	2267
Kolhapur S	1389	0	1389	1389
Sangli S	-	-	-	-

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Oct-12	558.2	569.4	557.7	561.1	4.1
Dec-12	552.3	562.9	552.1	557.3	5.4
Mar-13	554.7	565	554.7	560.2	5.4

NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
Sept-12	-6	1153	1153	1146	1150.5
Nov-12	-19.5	1212.5	1214.5	1183	1193
Dec-12	-15.5	1159	1161.5	1138.5	1147.5

Contract	Volume	Change	OI	Change
Sept-12	1570	1330	3400	-540
Nov-12	9660	7700	7050	500
Dec-12	2470	2270	2640	520

Spread	Sept-12	Nov-12	Dec-12
Basis	-10.5		
Sept-12		42.5	-3
Nov-12			-45.5

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Oct-12	19.48	19.92	19.44	19.72	0.28
Mar-13	20.22	20.6	20.12	20.41	0.25
May-13	20.21	20.64	20.17	20.48	0.28

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	433.50	+5.25
Raw Sugar C&F (\$/MT)	Black Sea	460.50	+5.25
Sugar White FOB (\$/MT)	Santos Port	531.75	+5.25

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Oct'12/Oct'12	123.25	-9.25
Dec'12/Oct'12	126.25	-4.75
Dec'12/Mar'13	111	-4

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Commodity	Price	Change
Brazil Domestic Sugar	19.56	-0.54
Brazil Anhydrous	18.99	0.28
Brazil Hydrous	17.81	0.24

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		13-9-2012	12-9-2012	
Sugar	Delhi - Grade M	3735	3750	-15
	Delhi - Grade S	3700	3725	-25
	Delhi - Grade L	3780	3770	10
	UP- Khatauli Grade M	3720	3725	-5
	UP- Ramala Grade M	-	-	-
	Mumbai –Grade M	3736	3746	-10
	Mumbai –Grade S	3596	3586	10
	Kolhapur – Grade M	3500	3550	-50
	Kolhapur – Grade S	3400	3450	-50
	Vijayawada – Grade M	4080	4080	Unch
	Vijayawada- Grade S	3900	3900	Unch
	Nagpur – Grade S	3700	3700	Unch
	Kolkata – Grade M	3680	-	-
	Chennai - Grade S	3600	3600	Unch

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

Gur Spot Prices (Rs/Qtl)				
		13-9-2012	12-9-2012	
Muzaffar Nagar	Khurpa	2850	2650	+200
	Laddu	-	-	-
	Rascut	2800	2800	Unch
	Sukha (Cold)	2850	2863	-13
	Gila	2812	2838	-26
Maharashtra	Lal Variety	3100	3100	Unch
Bangalore	Achhu	3200	3000	+200
	Mudde	3300	3200	+100
Belgaum	Mudde	3200	3200	Unch
Belthangadi	Yellow (Average)	2950	2950	Unch
Bijapur	Achhu	2750	-	-
Gulbarga	Other (Average)	3125	3100	+25
Mahalingapura	Penti (Average)	2980	2980	Unch
Mandya	Achhu (Medium)	2650	2450	+200
	Kurikatu (Medium)	2350	2200	+150
	Other (Medium)	2450	2350	+100
	Yellow (Medium)	2500	2400	+100
Shimoga	Achhu (Average)	3100	3150	-50

UP Private Mills Tender Rates				
Centre	Origin/Grade	13-9-2012	12-9-2012	Change
Dorala	M-30	3700	3700	Unch
Mawana	M-30	3720	3720	Unch
Modinagar	M-30	3680	3680	Unch
Malakpur	M-30	3660	3660	Unch
Simbholi	M-30	3780	3780	Unch
Asamoli	M-30	3780	3780	Unch
Dhanora	M-30	3680	3680	Unch
Dhampur	M-30	-	-	-
Kinnoni	M-31	3820	3820	Unch
Budhana	M-31	-	-	-
Thanabhavan	M-31	-	-	-

UP Government Mills Tender Rates				
Centre	Origin/Grade	13-9-2012	12-9-2012	Change
Morna	M-30	3590	3590	Unch
Nanotha	M-30	3560	3560	Unch
Nazibabad	M-30	3560	3560	Unch
Sakoti	M-30	3570	3570	Unch
Amroha	M-30	3640	3640	Unch
Chandpur	M-30	3620	3620	Unch

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	13-9-2012	12-9-2012	Change
Baghpat	M-30	3590	3590	Unch
Gajraula	M-30	3560	3560	Unch
BulandShahar	M-30	-	-	-
Anupshahar	M-30	3560	3560	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	9/12/2012
LOKNATE	S.PP	3448
	M.PP	3488
SANT DAMAJI	S.JB	3460.00-3463.00
	M.JB	3548.00 OPEN
CHANDRABHAGA	S1.PP	3450
PRASAD	S.PP	3455.00 OPEN
SANGAMNER	S1.JB	3492.00-3510.00
	M.JB	3570.00-3585.00
VRIDESHWAR	S1.JK	3470.00-3475.00
WARANA	S1.PP-S2.PP	3473.00-3463.00
	M.PP	3598
MADHUKAR	S.PP	3471
	M.JK	3571.00 OPEN
SADASHIV	S.JB	3430.00-3435.00
	M.JB	3458
MULA	S1.PP	3475.00-3485.00
	M.JB	3575.00-3580.00
CHOPDA	S1.JB	3550
	M.JB	3625.00 OPEN
WARANA	S1.PP-S2.PP	3473.00-3463.00
	M.PP	3598

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