

## Sugar & Gur Domestic & International Fundamentals

- Steady to weak sentiments remained in key spot markets of sugar on Saturday. Higher sugar quota and sluggish demand kept the prices range bound. However, markets in Mumbai remained closed due to Ganapati visarjan.
- UP sugar mills would start cane crushing operation after mid of November.
- The Central Government has decided to make available a quantity of 40.00 lakh tons of non-levy quota, for the months of October, 2012 and November 2012. Further, a quantity of 3.96 lakh tons of levy sugar quota, has been released for the months of October, 2012 (2.13 lakh tons) and November, 2012(1.83 lakh tons), for the Direct Allottee States.
- Sugarcane acreage has been increased by 20% in Bihar owing to handsome remuneration compared to other crops. However, sugarcane yield is likely to remain same compared to last year as reported.
- Mills in MP has announced to give Rs 215 per quintal as a cane payment to farmers which was Rs 200 per quintal last year.
- Indian Sugar millers are importing raw sugar after the gap of two years owing to downfall of sugar prices in International arena thanks to Brazilian cane crush. Indian millers made a forward booking and buy around 450,000 tons of raw sugar from Brazil for Oct-Dec Delivery at around \$500 CIF basis. Also, increase in sugar prices in domestic markets and lower cane availability expectation to millers due to cane diversion towards fodder in the coming marketing urge them to import raw sugar from International markets at lower quotes.
- Gur prices declined today in Muzaffar nagar market. Higher stock position of gur still left in cold storages increase the pressure to sell gur in the open markets which pressurize the prices.

### Outlook:

Sugar prices are likely to move range bound with weak tone over higher sugar quota for Oct-Nov. Recent release clearly shows that government doesn't want any further increase in sugar prices. Meanwhile, Indian millers are importing raw sugar from Brazil that would put bearish impact on sugar prices.

### NCDEX Sugar Futures

Contract	+/-	Open	High	Low	Close
Oct-12	-41	3525	3525	3490	3497
Nov-12	-29	3437	3447	3425	3430
Dec-12	-4	3375	3481	3368	3382

Contract	Volume	Change	OI	Change
Oct-12	14160	6680	22450	140
Nov-12	5440	-1120	23870	-730
Dec-12	1340	-1810	18570	-240

Spread	Oct-12	Nov-12	Dec-12
Basis			
Oct-12			
Nov-12			

Stocks	Demat	In-Process	Total	FED
	28.9.12	28.9.12	28.9.12	24.9.12
Kolhapur M	0	1485	1485	1110
Kolhapur S	0	0	0	990
Sangli S	-	-	-	-

### LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Dec-12	575.5	577.6	570.3	574.5	1.3
Mar-13	563.8	564.8	558.1	562.7	0.9
May-13	562.5	563.1	557.3	562.4	1.1

### NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
Nov-12	-5.5	1171	1171	1164	1167
Dec-12	-5	1135.5	1135.5	1128	1132.5
Jan-13	-7	1166	1166	1147	1150.5

Contract	Volume	Change	OI	Change
Nov-12	2850	-2740	9100	450
Dec-12	600	-560	3550	-10
Jan-13	510	430	220	10

Spread	Nov-12	Dec-12	Jan-12
Basis	-7		
Nov-12		-34.5	-16.5
Dec-12			18

### ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Oct-12	19.61	19.72	19.36	19.58	-0.02
Mar-13	20.39	20.5	20.15	20.42	0.03
May-13	20.44	20.53	20.2	20.46	0.03

## Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	431.5	-4.25
Raw Sugar C&F (\$/MT)	Black Sea	461.5	-4.25
Sugar White FOB (\$/MT)	Santos Port	535	+8

## Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Dec'12/Oct'12	141.75	0.25
Dec'12/Mar'13	124.5	0.5
Mar'13/Mar'13	112.5	0

## Brazil Sugar/ Ethanol Prices (In Cents/lb)

Contract	Close	+/-
Dec'12	18.25	-0.38
Mar'12	18.15	-0.04
May'12	17.18	-0.03

## Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		9/29/2012	9/28/2012	
Sugar	Delhi - Grade M	3870	3850	+20
	Delhi - Grade S	3765	3780	-15
	Delhi - Grade L	3900	3900	Unch
	UP- Khatauli Grade M	3760	3780	-20
	UP- Ramala Grade M	-	3720	-
	Mumbai -Grade M	-	3781	-
	Mumbai -Grade S	-	3656	-
	Kolhapur - Grade M	-	3600	-
	Kolhapur - Grade S	-	3500	-
	Vijayawada - Grade M	4100	4100	Unch
	Vijayawada- Grade S	3950	3950	Unch
	Nagpur - Grade S	3870	3870	Unch
	Kolkata - Grade M	3800	3800	-
	Chennai - Grade S	3600	3625	-25

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

## Gur Spot Prices (Rs/Qtl)

		9/29/2012	9/28/2012	
Muzaffar Nagar	Khurpa	-	-	-
	Laddu	-	-	-
	Rascut	2778	2803	-25
	Sukha (Cold)	2900	2938	-38
	Gila	2875	2900	-25
Maharashtra	Lal Variety	3200	3200	Unch
Bangalore	Achhu	3000	3000	Unch
	Mudde	3100	3100	Unch
Belgaum	Mudde	2900	3000	-100
Belthangadi	Yellow (Average)	2700	2700	Unch
Bijapur	Achhu	2800	2900	-100
Gulbarga	Other (Average)	-	3300	-
Mahalingapura	Penti (Average)	-	-	-
Mandya	Achhu (Medium)	-	2600	-
	Kurikatu (Medium)	-	2300	-
	Other (Medium)	-	2400	-
	Yellow (Medium)	-	2550	-
Shimoga	Achhu (Average)	-	3100	-

UP Private Mills Tender Rates				
Centre	Origin/Grade	9/29/2012	9/28/2012	Change
Dorala	M-30	3820	3820	Unch
Mawana	M-30	3840	3840	Unch
Modinagar	M-30	3730	3730	Unch
Malakpur	M-30	-	-	-
Simbholi	M-30	3900	3900	Unch
Asamoli	M-30	3890	3890	Unch
Dhanora	M-30	3790	3790	Unch
Dhampur	M-30	-	-	-
Kinnoni	M-31	3920	3920	Unch
Budhana	M-31	-	-	-
Thanabhavan	M-31	-	-	-

UP Government Mills Tender Rates				
Centre	Origin/Grade	9/29/2012	9/28/2012	Change
Morna	M-30	3630	3630	Unch
Nanotha	M-30	3620	3620	Unch
Nazibabad	M-30	3560	3560	Unch
Sakoti	M-30	3620	3620	Unch
Amroha	M-30	3650	3650	Unch
Chandpur	M-30	3640	3640	Unch

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	9/29/2012	9/28/2012	Change
Baghpat	M-30	3640	3640	Unch
Gajraula	M-30	3610	3610	Unch
BulandShahar	M-30	-	-	-
Anupshahar	M-30	3610	3610	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	9/28/2012
VENKATESH	S.PP	3485
SOMESHWAR	M.PP	3588

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