

Sugar & Gur Domestic & International Fundamentals

- Steady to weak sentiments remained in key spot markets of sugar on Monday. Higher sugar quota and sluggish demand kept the prices downwards.
- Industry asks government to raise sugar import tax to 25% from 10% to avoid further decline in sugar prices. Industry anticipating fear of decline in prices below production cost of sugar mills if sugar imports continues.
- Agriwatch estimate 23.5 to 24 million tons of sugar production for 2012-13 keeping in view weak monsoon in main cane producing states like Maharashtra and Karnataka which hamper the growth of cane at grand growth stage.
- UP sugar mills would start cane crushing operation after mid of November.
- Gur prices improved today in Muzaffar nagar market. Good offtake this week of gur from cold storages help the prices to improved in today's trading session.
- Around 234000 bags (40 kg each) of Gur has been stored in Muzaffar nagar cold storage till 1st Oct 2012, which are 70000 bags higher compared to same period in last year, stock position. Out of total gur stock position, there are around 113000 bags of Chaku variety gur stored in Cold storages.

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	-47	3495	3495	3438	3450
Nov-12	-74	3425	3427	3349	3356
Dec-12	-47	3350	3361	3325	3335

Contract	Volume	Change	OI	Change
Oct-12	9660	-4500	18970	-3480
Nov-12	15150	9710	21370	-2500
Dec-12	6730	5390	15420	-3150

Spread	Oct-12	Nov-12	Dec-12
Basis	100		
Oct-12		-94	-115
Nov-12			-21

Stocks	Demat 29.9.12	In-Process 29.9.12	Total 29.9.12	FED 24.9.12
Kolhapur M	1485	0	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	-12.5	1166	1166	1148	1154.5
Dec-12	-6.5	1129	1131	1121.5	1126
Jan-13	-17.5	1133	1133	1133	1133

Contract	Volume	Change	OI	Change
Nov-12	6040	3190	9730	630
Dec-12	1080	480	3440	-110
Jan-13	10	-500	220	0

Spread	Nov-12	Dec-12	Jan-12
Basis	15.5		
Nov-12		-28.5	-21.5
Dec-12			7

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	
Raw Sugar C&F (\$/MT)	Black Sea	461.5	
Sugar White FOB (\$/MT)	Santos Port	535	

Brazil White Sugar Premium (US\$/MT)

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

Brazil Sugar/ Ethanol Prices (In Cents/lb)

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

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		10/01/2012	9/29/2012	
Sugar	Delhi - Grade M	3850	3870	-20
	Delhi - Grade S	3750	3765	-15
	Delhi - Grade L	3870	3900	-30
	UP- Khatauli Grade M	3750	3760	-10
	UP- Ramala Grade M	-	-	-
	Mumbai -Grade M	3766	-	-
	Mumbai -Grade S	3641	-	-
	Kolhapur - Grade M	3550	-	-
	Kolhapur - Grade S	3450	-	-
	Vijayawada - Grade M	4100	4100	Unch
	Vijayawada- Grade S	3950	3950	Unch
	Nagpur - Grade S	3850	3870	-20
	Kolkata - Grade M	3850	-	-
	Chennai - Grade S	3575	3600	-25

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

Gur Spot Prices (Rs/Qtl)				
		10/01/2012	9/29/2012	
Muzaffar Nagar	Khurpa	3125	-	-
	Laddu	3500	-	-
	Rascut	2813	2778	+35
	Sukha (Cold)	2925	2900	+25
	Gila	2875	2875	Unch
Maharashtra	Lal Variety	3100	3125	-25
Bangalore	Achhu	3000	3000	Unch
	Mudde	3100	3100	Unch
Belgaum	Mudde	2900	2900	Unch
Belthangadi	Yellow (Average)	2700	2700	Unch
Bijapur	Achhu	2900	2800	+100
Gulbarga	Other (Average)	3380	-	-
Mahalingapura	Penti (Average)	2990	-	-
Mandya	Achhu (Medium)	2600	-	-
	Kurikatu (Medium)	2400	-	-
	Other (Medium)	2400	-	-
	Yellow (Medium)	2550	-	-
Shimoga	Achhu (Average)	3100	-	-

UP Private Mills Tender Rates				
Centre	Origin/Grade	10/01/2012	9/29/2012	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	10/01/2012	9/29/2012	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	10/01/2012	9/29/2012	Change
Baghpat	M-30	3640	3640	Unch
Gajraula	M-30	3610	3610	Unch
BulandShahar	M-30	-	-	-
Anupshahar	M-30	3610	3610	Unch

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