

## Sugar & Gur Domestic & International Fundamentals

- Sugar prices are moving down like anything due to sluggish demand of sugar in spot markets and strengthening Rupee gives opportunity to sugar importers to import raw sugar from abroad.
- Australia's sugarcane output this marketing year will likely be 31.5 million metric tonnes, up 12.5% on year, as early season rains encouraged crop growth.
- Indian traders have made import deal of around 5000 tons of sugar from Pakistan at FOB price of \$545 per ton including import tax duty.
- Recent sugar estimate by the food ministry (~23 million tons) is very much in the range as decline in cane availability in Maharashtra and Karnataka due to decline in acreage and yield lower the cane as well as sugar production overall. Recently, Maharashtra government also lowered its sugar production estimate to 5.5 million tons from 6.5 million tons. It is notable that Agriwatch sugar production (~23.5-24 million tons) also support the food ministry production estimates.
- Sugar vessel line declined to 52 this week from 58 last week at major Brazilian ports owing to favorable weather and smooth movement of transportation of sugar from mills towards ports. Brazil has exported around 11.59 million tons of sugar in this marketing year and is expected to increase its sugar export operations in the coming months.
- Gur prices declined today in Muzaffar nagar market. Good amount of stock of gur left in the cold storages and new gur arrival in the markets depress the prices of gur in the domestic markets.
- Around 234000 bags (40 kg each) of Gur has been stored in Muzaffar nagar cold storage till 1<sup>st</sup> 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	37	3390	3390	3337	3367
Nov-12	13	3316	3340	3310	3326
Dec-12	3	3304	3330	3303	3314

Contract	Volume	Change	OI	Change
Oct-12	650	-7810	7980	-450
Nov-12	5,170	-10320	26700	-650
Dec-12	1,780	-4600	13070	730

Spread	Oct-12	Nov-12	Dec-12
Basis	17		
Oct-12		41	12
Nov-12			-5

Stocks	Demat 04.10.12	In-Process 04.9.12	Total 04.9.12	FED 01.9.12
Kolhapur M	1485	0	1485	1485
Kolhapur S	0	0	0	-
Sangli S	-	-	-	-

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

Contract	Open	High	Low	Close	+/-
Dec-12	594.10	599.90	594.10	597.30	-0.70
Mar-13	583.40	586.70	580.90	586.40	+0.30
May-13	581.40	584.90	577.50	584.00	-0.70

### NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
Nov-12	-7.00	1147.50	1159.50	1147.50	1155
Dec-12	5.50	1117.50	1123.50	1116	1120
Jan-13	-	-	-	-	-

Contract	Volume	Change	OI	Change
Nov-12	2080	2390	9000	160
Dec-12	930	390	3450	10
Jan-13	190	-170	210	160

Spread	Nov-12	Dec-12	Jan-12
Basis	0.5		
Nov-12		-30.5	-23.5
Dec-12			7

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

Contract	Open	High	Low	Close	+/-
Mar-13	21.62	21.66	21.02	21.54	-0.06
May-13	21.59	21.59	21.00	21.48	-0.08
Jul-13	21.55	21.55	20.98	21.42	-0.07

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

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	457.25	-6
Raw Sugar C&F (\$/MT)	Black Sea	487.25	-6
Sugar White FOB (\$/MT)	Santos Port	562.75	-5.75

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

Contract	Close	+/-
Dec'12/Mar'13	115.25	
Mar'13/Mar'13	106	
May'13/May'13	107	

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

Contract	Close	+/-
Dec'12	18.25	
Mar'12	17.83	
May'12	17.1	

## Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		06/10/2012	05/10/2012	
Sugar	Delhi - Grade M	3770	3750	+20
	Delhi - Grade S	3720	3700	+20
	Delhi - Grade L	3800	3780	+20
	UP- Khatauli Grade M	3800	3800	Unch
	UP- Ramala Grade M	3685	3685	Unch
	Mumbai –Grade M	3586	3691	-5
	Mumbai –Grade S	3546	3556	-10
	Kolhapur – Grade M	3350	3500	-150
	Kolhapur – Grade S	3250	3400	-150
	Vijayawada – Grade M	4100	4100	Unch
	Vijayawada- Grade S	3950	3950	Unch
	Nagpur – Grade S	3780	3780	Unch
	Kolkata – Grade M	-	-	-
	Chennai - Grade S	3380	3280	+30

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

Gur Spot Prices (Rs/Qtl)				
		06/10/2012	05/10/2012	
Muzaffar Nagar	Khurpa	2950	2950	Unch
	Laddu	3338	3250	+88
	Rascut	2803	2803	Unch
	Sukha (Cold)	2875	2875	Unch
	Gila	2800	2800	Unch
Maharashtra	Lal Variety	3100	3100	Unch
Bangalore	Achhu	-	3000	-
	Mudde	-	3100	-
Belgaum	Mudde	-	2800	-
Belthangadi	Yellow (Average)	-	3000	-
Bijapur	Achhu	-	2900	-
Gulbarga	Other (Average)	-	3125	-
Mahalingapura	Penti (Average)	-	2980	-
Mandya	Achhu (Medium)	-	2600	-
	Kurikatu (Medium)	-	2400	-
	Other (Medium)	-	2400	-
	Yellow (Medium)	-	2550	-
Shimoga	Achhu (Average)	-	3125	-

## UP Private Mills Tender Rates

Centre	Origin/Grade	06/10/2012	05/10/2012	Change
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Dorala	M-30	3690	3750	Unch
Mawana	M-30	3730	3800	Unch
Modinagar	M-30	3680	3730	Unch
Malakpur	M-30	-	-	-
Simbholi	M-30	3830	3880	Unch
Asamoli	M-30	3810	3860	Unch
Dhanora	M-30	3690	3760	Unch
Dhampur	M-30	-	-	-
Kinnoni	M-31	3940	4000	Unch
Budhana	M-31	-	-	-
Thanabhavan	M-31	-	-	-

## UP Government Mills Tender Rates

Centre	Origin/Grade	06/10/2012	05/10/2012	Change
Morna	M-30	3560	3650	Unch
Nanotha	M-30	3550	3640	Unch
Nazibabad	M-30	3550	3640	Unch
Sakoti	M-30	3560	3650	Unch
Amroha	M-30	-	3710	-
Chandpur	M-31	-	3700	-

## UP Cooperative Mills Tender Rates

Centre	Origin/Grade	06/10/2012	05/10/2012	Change
Baghpat	M-30	3570	3670	Unch
Gajraula	M-30	3560	3640	Unch
BulandShahar	M-30	-	-	-
Anupshahar	M-30	3580	3640	Unch

## Maharashtra Cooperative Mills Tender Prices

Centre	Origin/Grade	10/5/2012
BHIMA PATAS	S.PP	3398.00 OPEN
	M.PP	3448.00 OPEN
LOKNETE	S.PP	3398.00 OPEN
SHANKESHWAR	S.PP	3398.00 OPEN
WARANA	S2.PP	3450.00 OPEN
	S1.PP	3455
KRISHNA ATHANI	S.PP-S1.PP	3360.00-3380.00
	M.JB	3460
BHENDA	S1.PP	3401.00 OPEN
	M.PP	3441.00 OPEN
SAMARTH	S1.JK	3430.00 OPEN
INDAPUR	S.PP	3438
	M.PP	3448

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