

Sugar & Gur Domestic & International Fundamentals

- Downward movement of sugar prices continued owing to higher selling pressure of sugar on millers.
- According to Agriwatch expectation, India is likely to import around 1 million tons of sugar imports in 2012-13 marketing year considering downward trend in international sugar arena. In addition to it, expected increase in sugar prices in the domestic markets and global surplus of sugar globally might increase the sugar import parity for Indian importers for the coming year. Also, lower cane availability to various mills situated near to coastal regions bound them to go for imports.
- Rising raw sugar demand from Indonesia drive the Thai raw sugar prices upwards. Thai raw sugar premium could trade in a range between 70 to 90 points to New York's March contract which is settled at 21.54 cents per bushels this week.
- Prices of gur surged in today's trading session in Muzaffar nagar spot markets owing to the good offtake of gur last week as demand picked up from Bengal and Rajasthan.
- Gur Manufacturers from UP are trying to move their unit from UP towards MP due to lower cane cost and higher gur recovery from cane from MP sugarcane as reported. Lower units of gur manufacturers in UP might led the gur prices upwards for the short term.
- Around 157000 bags (40 kg each) of Gur has been stored in Muzaffar nagar cold storage till 10th Oct 2012, which are 50000 bags higher compared to same period in last year, stock position. Out of total gur stock position, there are around 60000 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	23	3360	3384	3360	3384
Nov-12	11	3320	3330	3308	3328
Dec-12	2	3296	3310	3294	3303

Contract	Volume	Change	OI	Change
Oct-12	500	-270	6920	-800
Nov-12	8920	-1790	31190	3390
Dec-12	3690	1250	14330	790

Spread	Oct-12	Nov-12	Dec-12
Basis	36		
Oct-12		-56	-81
Nov-12			-25

Stocks	Demat	In-Process	Total	FED
	08.10.12	08.10.12	08.10.12	08.10.12
Kolhapur M	1749	0	1749	1749
Kolhapur S	0	0	0	-
Sangli S	-	-	-	-

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Dec-12	598.6	601.4	591	595	-2.3
Mar-13	587	588	578	582.1	-4.3
May-13	583.6	585.2	574.9	580.6	-3.4

NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
Nov-12	9	1154	1165	1154	1162.5
Dec-12	5	1123	1131	1123	1126.5
Jan-13	12.5	1135.5	1139.5	1135.5	1139.5

Contract	Volume	Change	OI	Change
Nov-12	4210	2540	9600	150
Dec-12	1100	600	3600	80
Jan-13	40	30	230	20

Spread	Nov-12	Dec-12	Jan-12
Basis	-2.5		
Nov-12		-36	-23
Dec-12			13

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Mar-13	21.54	21.55	21.21	21.42	-0.12
May-13	21.44	21.51	21.15	21.34	-0.14
Jul-13	21.34	21.43	21.12	21.28	-0.14

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	458.75	+2.75
Raw Sugar C&F (\$/MT)	Black Sea	489.75	+3.75
Sugar White FOB (\$/MT)	Santos Port	564.25	+1.75

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
		9-Oct-12	8-Oct-12	
Sugar	Delhi - Grade M	3700	3740	-40
	Delhi - Grade S	3650	3710	-60
	Delhi - Grade L	-	-	-
	UP- Khatauli Grade M	3690	3700	-10
	UP- Ramala Grade M	3680	3635	Unch
	Mumbai –Grade M	3691	3691	Unch
	Mumbai –Grade S	3546	3556	-10
	Kolhapur – Grade M	3420	3400	+20
	Kolhapur – Grade S	3320	3325	-5
	Vijayawada – Grade M	3940	4050	-110
	Vijayawada- Grade S	3780	3900	-120
	Nagpur – Grade S	3650	3660	-10
	Kolkata – Grade M	3785	-	-
	Chennai - Grade S	3150	3310	-160

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

Gur Spot Prices (Rs/Qtl)

		9-Oct-12	8-Oct-12	
Muzaffar Nagar	Khurpa	3000	2963	-37
	Laddu	3350	3350	Unch
	Rascut	2763	2775	-12
	Sukha (Cold)	2900	2875	+25
	Gila	2825	2800	+25
Maharashtra	Lal Variety	3100	3100	Unch
Bangalore	Achhu	3000	3000	Unch
	Mudde	3100	3100	Unch
Belgaum	Mudde	-	-	-
Belthangadi	Yellow (Average)	2950	3000	-50
Bijapur	Achhu	2825	2800	+25
Gulbarga	Other (Average)	3000	3100	-100
Mahalingapura	Penti (Average)	3100	3200	-100
Mandya	Achhu (Medium)	-	2600	-
	Kurikatu (Medium)	-	2400	-
	Other (Medium)	-	2400	-
	Yellow (Medium)	-	2550	-
Shimoga	Achhu (Average)	3150	-	-

UP Private Mills Tender Rates				
Centre	Origin/Grade	9-Oct-12	8-Oct-12	Change
Dorala	M-30	3615	3615	Unch
Mawana	M-30	3660	3660	Unch
Modinagar	M-30	3590	3590	Unch
Malakpur	M-30	-	-	-
Simbholi	M-30	3750	3750	Unch
Asamoli	M-30	3720	3720	Unch
Dhanora	M-30	3630	3630	Unch
Dhampur	M-30	-	-	-
Kinnoni	M-31	3860	3860	Unch
Budhana	M-31	-	-	-
Thanabhavan	M-31	-	-	-

UP Government Mills Tender Rates				
Centre	Origin/Grade	9-Oct-12	8-Oct-12	Change
Morna	M-30	3500	3500	Unch
Nanotha	M-30	3490	3490	Unch
Nazibabad	M-30	3490	3490	Unch
Sakoti	M-30	3500	3500	Unch
Amroha	M-30	-	-	-
Chandpur	M-31	-	-	-

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	9-Oct-12	8-Oct-12	Change
Baghpat	M-30	3510	3510	Unch
Gajraula	M-30	3490	3490	Unch
BulandShahar	M-30	-	-	-
Anupshahar	M-30	3490	3490	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	8-Oct-12
BHAVANI	S.PP	3388.00 OPEN
	L.JB	3588.00 OPEN
BHIMA PATAS	S.PP	3388
	M.PP	3428.00 OPEN
SHRIGONDA	S.PP	3395
	S1.JK	3438
SOMESHWAR	M.PP	3478
	M.JB	3498
DAUND	S.PP	3400
	S1.PP	3415
ZIRI BURHANPUR	M.PP	3491
	M.JK	3511
SILLOD	S.JK	3379

	M.JB	3429
SAMARTH	S1.JK	3400
	M.JK	3450.00 OPEN
CHANDRABHAGA	S1.PP	3371
SANGAMNER	S1.JB	3462.00-3475.00
	M.JB	3502
AKLUJ	S1.JK	3387.00-3400.00
	M.JK	3428.00-3430.00
SADASHIV	S.JB	3417.00-3421.00
	M.JB	3435
MADHUKAR	S/30	3505.00 OPEN
GANGMAI	S/30	3431
JAWAHAR	S2.PP	3340
	M1.PP	3423
KUMBHI	S1.PP	3388
	M.PP	3501
WARANA	S2.PP-S1.PP	3550.00-3565.00
	M.JB	3438.00 OPEN

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