

Sugar & Gur Domestic & International Fundamentals

- Mixed sentiments recorded in key spot markets of sugar on Thursday as markets could not find adequate cues to decide the price direction either side.
- Government likely to consider increase in import duty on sugar to curb further sugar imports. However, this move would support the prices of sugar in domestic markets as expected.
- Sugar production slowed in the second half of September in Center South region of Brazil owing to wet conditions bound mills to slow its crushing operations.
- Sugar imports from China likely to decline by half in 2013.
- Brazil sugar waiting at ports for loading increased by 31% owing to vessels heading towards China, Malaysia and India. Out of total, around 2 lac tons of sugar shipments are scheduled for India as reported.
- Prices of gur trade steady in today's trading session in Muzaffar nagar spot markets.
- 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	-10	3400	3400	3370	3380
Nov-12	-39	3364	3368	3312	3320
Dec-12	-37	3337	3339	3290	3300

Contract	Volume	Change	OI	Change
Oct-12	5380	5280	5040	-1830
Nov-12	17590	6040	32050	2050
Dec-12	4340	80	14690	580

Spread	Oct-12	Nov-12	Dec-12
Basis	70		
Oct-12		-60	-80
Nov-12			-20

Stocks	Demat 10.10.12	In-Process 10.10.12	Total 10.10.12	FED 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	597	599.6	589.9	590.4	-7.9
Mar-13	581	581.5	572.8	573.2	-7.9
May-13	580.3	580.3	572.6	572.9	-7.5

NCDEX Gur Futures:

Contract	+/-	Open	High	Low	Close
Nov-12	-9	1177	1177	1165.5	1168
Dec-12	-6.5	1135.5	1135.5	1128.5	1131
Jan-13	1	1141	1142	1141	1142

Contract	Volume	Change	OI	Change
Nov-12	4200	-2780	8490	-440
Dec-12	790	-820	3770	220
Jan-13	20	-40	220	0

Spread	Nov-12	Dec-12	Jan-12
Basis	-8		
Nov-12		-37	-26
Dec-12			11

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Mar-13	21.47	21.49	20.86	21.26	-0.21
May-13	21.33	21.4	20.85	21.23	-0.12
Jul-13	21.25	21.33	20.82	21.18	-0.09

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	441.25	-14.25
Raw Sugar C&F (\$/MT)	Black Sea	472.25	-14.25
Sugar White FOB (\$/MT)	Santos Port	552.25	-12.75

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
		11-Oct-12	10-Oct-12	
Sugar	Delhi - Grade M	3660	3650	+10
	Delhi - Grade S	-	3600	-
	Delhi - Grade L	-	-	-
	UP- Khatauli Grade M	3665	3680	-15
	UP- Ramala Grade M	3530	3605	-75
	Mumbai –Grade M	3691	3686	+5
	Mumbai –Grade S	3558	3536	+22
	Kolhapur – Grade M	3450	3420	+30
	Kolhapur – Grade S	3350	3320	+30
	Vijayawada – Grade M	3940	3940	Unch
	Vijayawada- Grade S	3780	3780	Unch
	Nagpur – Grade S	3680	3680	Unch
	Kolkata – Grade M	3730	3780	-50
	Chennai - Grade S	3350	3325	+25

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

Gur Spot Prices (Rs/Qtl)

		11-Oct-12	10-Oct-12	
Muzaffar Nagar	Khurpa	3038	3025	+13
	Laddu	3350	3350	Unch
	Rascut	2750	2750	Unch
	Sukha (Cold)	2900	2900	Unch
	Gila	2863	2825	+38
Maharashtra	Lal Variety	3100	3100	Unch
Bangalore	Achhu	3000	3000	Unch
	Mudde	3100	3100	Unch
Belgaum	Mudde	3000	3000	Unch
Belthangadi	Yellow (Average)	-	2950	-
Bijapur	Achhu	3000	-	-
Gulbarga	Other (Average)	3000	2975	+25
Mahalingapura	Penti (Average)	3200	3150	+50
Mandya	Achhu (Medium)	-	2600	-
	Kurikatu (Medium)	-	2400	-
	Other (Medium)	-	2400	-
	Yellow (Medium)	-	2550	-
Shimoga	Achhu (Average)	3125	3150	-25

UP Private Mills Tender Rates				
Centre	Origin/Grade	11-Oct-12	10-Oct-12	Change
Dorala	M-30	3600	3600	Unch
Mawana	M-30	3560	3560	Unch
Modinagar	M-30	3550	3550	Unch
Malakpur	M-30	-	-	-
Simbholi	M-30	3700	3700	Unch
Asamoli	M-30	3670	3670	Unch
Dhanora	M-30	3580	3580	Unch
Dhampur	M-30	-	-	-
Kinnoni	M-31	3840	3840	Unch
Budhana	M-31	-	-	-
Thanabhavan	M-31	-	-	-

UP Government Mills Tender Rates				
Centre	Origin/Grade	11-Oct-12	10-Oct-12	Change
Morna	M-30	3460	3460	Unch
Nanotha	M-30	3450	3450	Unch
Nazibabad	M-30	3450	3450	Unch
Sakoti	M-30	3440	3440	Unch
Amroha	M-30	-	-	-
Chandpur	M-31	-	-	-

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	11-Oct-12	10-Oct-12	Change
Baghpat	M-30	3460	3460	Unch
Gajraula	M-30	3440	3440	Unch
BulandShahar	M-30	-	-	-
Anupshahar	M-30	3440	3440	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	10-Oct-12
BHAVANI	S.PP	3358
	S1.JB	3533
SOMESHWAR	M.PP	3478.00 OPEN
LOKNETE	S.PP	3355.00-3365.00
	M.PP	3408.00-3410.00
AADINATH	S.PP	3358
ASHOK	S.PP	3387.00-3390.00
	M.JB	3535
WARANA	S2.PP-S1.PP	3363.00-3383.00
	M.JB	3470
SAHYADRI	S.PP	3408
BIDRI	S.PP	3368
	M.PP	3433

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