

Sugar & Gur Domestic & International Fundamentals

- Sugar prices remained steady to firm in key spot markets over decontrol recommendation on sugar by Rangarajan committee to PM. However, lower international prices might drag the prices of domestic sugar downwards considering increasing imports.
- Maharashtra government sees sugar output of the state would be in range of 5.8 to 6 million tons for 2012-13 due to higher acreage diversion towards other crops like Soybean crop due to lower rainfall in major cane belt this year. Also, Agriwatch also sees around 5.8 million tons of sugar production in Maharashtra for the current marketing year owing to diversion of cane towards fodder and lower yields.
- Sugar international raw and white sugar prices declined yesterday amid talks that importers are cancelling cargoes. Lower sugar demand from Russia and China and global sugar surplus drag the prices downwards. However, recent decline in sugar prices again gives an opportunity for Indian sugar importers especially Indian sugar refineries situated near to coastal regions to import sugar at lower quotes.
- Prices of gur trade lower 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 Future Quotes:

Contract	+/-	Open	High	Low	Close
Oct-12	Unch	-	3400	3400	3400
Nov-12	18	3346	3363	3346	3359
Dec-12	20	3313	3338	3313	3329

Contract	Volume	Change	OI	Change
Oct-12	0	-2290	3280	-90
Nov-12	11740	-5320	34370	-490
Dec-12	3390	-320	15690	-100

Spread	Oct-12	Nov-12	Dec-12
Basis	100		
Oct-12		-41	-71
Nov-12			-30

Stocks	Demat 12.10.12	In-Process 12.10.12	Total 12.10.12	FED 08.10.12
Kolhapur M	2891	0	2891	1749
Kolhapur S	492	0	492	-
Sangli S	-	-	-	-

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Dec-12	569	571.6	555	557.8	-10.6
Mar-13	554	557.9	542.4	546.8	-7.6
May-13	555.1	557.4	543.7	547.7	-7.2

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Nov-12	Unch	1160	1169.5	1159.5	1162.5
Dec-12	-2	1126	1131	1125	1125
Jan-13	4	1142.5	1143	1140	1141

Contract	Volume	Change	OI	Change
Nov-12	3180	-1180	8920	-70
Dec-12	890	-270	3810	-70
Jan-13	60	50	210	-10

Spread	Nov-12	Dec-12	Jan-12
Basis	-22.5		
Nov-12		-37.5	-21.5
Dec-12			16

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Mar-13	20.5	20.59	19.85	20.05	-0.4
May-13	20.41	20.53	19.84	20	-0.38
Jul-13	20.35	20.43	19.79	19.93	-0.35

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	434.00	
Raw Sugar C&F (\$/MT)	Black Sea	465.00	
Sugar White FOB (\$/MT)	Santos Port	545.00	

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Dec'12/Mar'13	122.50	
Mar'13/Mar'13	105.50	
May'13/May'13	106	

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Contract	Close	+/-
Dec'12	19.18	
Mar'12	17.48	
May'12	16.83	

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		13-Oct-12	12-Oct-12	
Sugar	Delhi - Grade M	3700	3640	+60
	Delhi - Grade S	-	3600	-
	Delhi - Grade L	-	3690	-
	UP- Khatauli Grade M	3670	3670	Unch
	UP- Ramala Grade M	3540	3530	+10
	Mumbai –Grade M	3706	3691	+15
	Mumbai –Grade S	3571	3561	+10
	Kolhapur – Grade M	3500	3475	+25
	Kolhapur – Grade S	3400	3375	+25
	Vijayawada – Grade M	3940	3940	Unch
	Vijayawada- Grade S	3780	3780	Unch
	Nagpur – Grade S	3700	3680	+20
	Kolkata – Grade M	-	3700	-
	Chennai - Grade S	3350	3350	Unch

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

Gur Spot Prices (Rs/Qtl)

		13-Oct-12	12-Oct-12	
Muzaffar Nagar	Sukha (Cold)	3850	2875	-25
	Gila	-	2838	-
	Khurpa	2925	2963	-38
	Laddu	3200	3175	+25
	Rascut	2750	2750	Unch
Maharashtra	Lal Variety	3200	-	-
Bangalore	Achhu	-	3000	-
	Mudde	-	3100	-
Belgaum	Mudde	2900	3000	-100
Belthangadi	Yellow (Average)	-	2900	-
Bijapur	Achhu	-	-	-
Gulbarga	Other (Average)	3000	2950	+50
Mahalingapura	Penti (Average)	-	3200	-
	Achhu (Medium)	-	2600	-
Mandya	Kurikatu (Medium)	-	2400	-
	Other (Medium)	-	2450	-
	Yellow (Medium)	-	2550	-
Shimoga	Achhu (Average)	-	3150	-

UP Private Mills Tender Rates				
Centre	Origin/Grade	13-Oct-12	12-Oct-12	Change
Dorala	M-30	3570	3570	Unch
Mawana	M-30	3640	3640	Unch
Modinagar	M-30	3580	3580	Unch
Malakpur	M-30	-	-	-
Simbholi	M-30	3700	3700	Unch
Asamoli	M-30	3680	3680	Unch
Dhanora	M-30	3590	3590	Unch
Dhampur	M-30	-	-	-
Kinnoni	M-31	3850	3850	Unch
Budhana	M-31	-	-	-
Thanabhavan	M-31	-	-	-

UP Government Mills Tender Rates				
Centre	Origin/Grade	13-Oct-12	12-Oct-12	Change
Morna	M-30	3430	3430	Unch
Nanotha	M-30	3420	3420	Unch
Nazibabad	M-30	3420	3420	Unch
Sakoti	M-30	3420	3420	Unch
Amroha	M-30	-	-	-
Chandpur	M-31	-	-	-

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	13-Oct-12	12-Oct-12	Change
Baghpat	M-30	3440	3440	Unch
Gajraula	M-30	3420	3420	Unch
BulandShahar	M-30	-	-	-
Anupshahar	M-30	3420	3420	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	13-Oct-12
BHIMA TAKLI	M.JB	3500
SHRIGONDA	S.PP	3407
	S.JB	3460
BHENDA	S1.PP	3460
	M.PP-JB	3500.00-3550.00
VENKATESH	S.PP	3410.00 OPEN
GHODGANGA	S.PP	3430
	M.PP	3450
WARANA	S1.PP-S2.PP	3413.00-3388.00
	M.JB	3488
JAWAHAR	S.PP	3363.00 OPEN
	M1.PP	3465.00 OPEN
DATT SHIROL	S1.PP	3345
	S1.PP	3347.00 OPEN

Disclaimer

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php>

© 2005 Indian Agribusiness Systems Pvt Ltd.