

## Sugar & Gur Domestic & International Fundamentals

- Fragile sentiments recorded in key spot markets on Monday. Weak demand and continuous decline in International sugar prices pressurize the Indian sugar prices.
- At Muzaffarnagar, Private Mills's sugar offered unchanged. Moreover, government mills sugar also offered steady on dull buying in the market. According to local traders, sugar offered firm on slow demand in the market. Spot sugar M grade offered at Rs 3,650-3,765 a quintal.
- Pakistan sugarcane production is pegged at 4.7 million tonnes against 55-57 million metric tonnes during last season
- Government is considering the hike in import duty of white sugar from 10% to 20% to curb the inflow of white sugar in domestic market. Also, government is planning to remove the import duty on raw sugar as it will generate the employment in the country for refining the raw sugar.
- Iraq bought 3 lac tonnes of white sugar as reported.
- Sugar future prices continuously moving downwards over higher sugar quota and downward trend of International sugar prices both raw and white.
- Gur prices are moving range bound with weak tone today in Muzaffar Nagar market on Friday.
- Around 96000 bags (40 kg each) of Gur has been stored in Muzaffar nagar cold storage till 1<sup>st</sup> Oct 2012, which are 26000 bags higher compared to same period in last year, stock position. Out of total gur stock position, there are around 21000 bags of Chaku variety gur stored in Cold storages. This week around 61000 bags of gur has been lifted which increase the prices of gur last week.

### 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	-27	3413	3413	3372	3389
Nov-12	-17	3301	3315	3286	3290
Dec-12	-25	3278	3282	3255	3255

Contract	Volume	Change	OI	Change
Oct-12	150	0	1240	0
Nov-12	6740	2410	36310	-810
Dec-12	1630	-250	16220	-260

Spread	Oct-12	Nov-12	Dec-12
Basis	61		
Oct-12		99	35
Nov-12			-32

Stocks	Demat	In-Process	Total	FED
	20.10.12	20.10.12	20.10.12	15.10.12
Kolhapur M	3209	260	3469	2971
Kolhapur S	1041	0	1041	492
Sangli S	-	-	-	-

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

Contract	Open	High	Low	Close	+/-
Dec-12	538.70	554.50	537.00	547.90	+6.90
Mar-13	530.90	545.30	529.20	540.30	+7.50
May-13	540.00	551.40	536.00	546.40	+7.00

### NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Nov-12	-20	1150	1163	1147	1148
Dec-12	-12	1088	1121	1088	1109
Jan-13	0	1126.50	1133	1125.50	1133

Contract	Volume	Change	OI	Change
Nov-12	7540	-780	9340	-80
Dec-12	2460	900	4050	40
Jan-13	30	20	250	0

Spread	Nov-12	Dec-12	Jan-12
Basis	137		
Nov-12		-34.5	-21
Dec-12			13.5

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

Contract	Open	High	Low	Close	+/-
Mar-13	19.92	20.47	19.71	20.23	+0.44
May-13	19.87	20.38	19.64	20.14	+0.41
Jul-13	19.77	20.26	19.55	20.03	+0.39

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

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	429.00	
Raw Sugar C&F (\$/MT)	Black Sea	460.00	
Sugar White FOB (\$/MT)	Santos Port	539.5	

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

Contract	Close	+/-
Dec'12/Mar'13	113	
Mar'13/Mar'13	102.5	
May'13/May'13	107.5	

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

Contract	Close	+/-
Dec'12	21.4	
Mar'12	19.55	
May'12	19.26	

## Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		22-Oct-12	20-Oct-12	
Sugar	Delhi - Grade M	3630	3600	+30
	Delhi - Grade S	3575	3551	+24
	Delhi - Grade L	-	3630	-
	UP- Khatauli Grade M	3620	3650	-30
	UP- Ramala Grade M	3500	3490	+10
	Mumbai –Grade M	3691	3696	-5
	Mumbai –Grade S	3522	3551	-29
	Kolhapur – Grade M	3450	3475	-25
	Kolhapur – Grade S	3350	3375	-25
	Vijayawada – Grade M	3920	3920	Unch
	Vijayawada- Grade S	3750	3750	Unch
	Nagpur – Grade S	3650	3650	Unch
	Kolkata – Grade M	-	-	-
	Chennai - Grade S	3450	3450	Unch

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

Gur Spot Prices (Rs/Qtl)				
		22-Oct-12	20-Oct-12	
Muzaffar Nagar	Chaku New	2950	3025	-75
	Chaku Sukha (Cold)	2913	2950	-37
	Chaku Gila	-	2913	-
	Khurpa	2625	2775	-150
	Laddu	2825	3000	-175
	Rascut	2650	2700	-50
Maharashtra	Lal Variety	3100	3200	-100
Bangalore	Achhu	3200	3200	Unch
	Mudde	3400	3400	Unch
Belgaum	Mudde	-	-	-
Belthangadi	Yellow (Average)	-	-	-
Bijapur	Achhu	3000	-	-
Gulbarga	Other (Average)	2925	2925	Unch

Mahalingapura	Penti (Average)	3250	-	-
Mandya	Achhu (Medium)	2850	2850	Unch
	Kurikatu (Medium)	2450	2450	Unch
	Other (Medium)	2550	2550	Unch
	Yellow (Medium)	2750	2750	Unch
Shimoga	Achhu (Average)	3100	3125	-25

UP Private Mills Tender Rates				
Centre	Origin/Grade	22-Oct-12	20-Oct-12	Change
Dorala	M-30	3550	3550	Unch
Mawana	M-30	3620	3620	Unch
Modinagar	M-30	3480	3480	Unch
Malakpur	M-30	3460	3460	Unch
Simbholi	M-30	3700	3700	Unch
Asamoli	M-30	3620	3620	Unch
Dhanora	M-30	3540	3540	Unch
Dhampur	M-30	-	-	-
Kinnoni	M-31	3840	3840	Unch
Budhana	M-31	-	-	-
Thanabhavan	M-31	-	-	-

UP Government Mills Tender Rates				
Centre	Origin/Grade	22-Oct-12	20-Oct-12	Change
Morna	M-30	3370	3370	Unch
Nanotha	M-30	3360	3360	Unch
Nazibabad	M-30	3360	3360	Unch
Sakoti	M-30	3370	3370	Unch
Amroha	M-30	-	-	-
Chandpur	M-31	-	-	-

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	22-Oct-12	20-Oct-12	Change
Baghpat	M-30	3380	3380	Unch
Gajraula	M-30	3350	3350	Unch
BulandShahar	M-30	-	-	-
Anupshahar	M-30	3350	3350	Unch

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