

## Sugar & Gur Domestic & International Fundamentals

- Steady to weak sentiments recorded in key sugar spot markets on Tuesday as weak demand and declining international sugar prices weigh on the domestic sugar.
- Chinese refined sugar output rose to 1.2 million tons in November up by 19% compared to same period last year.
- Brazilian mills crushed around 28.52 million tons of cane in the second half of November as reported.
- Sugar output might get affected in UP after delay in sugarcane crushing by millers. Also, there is a worry about the increasing global sugar surplus and Indian raw sugar import figures which might increase tension in the minds of mill owners. After getting a hike in cane prices in UP, cost of producing sugar from cane eventually increased and if this import picking up the pace with peak arrival time then UP millers no longer get the parity for sure that might discourage some small sugar producing units to withdraw cane crushing operations for this season as expected.
- Kingsman increase its global sugar surplus to 9.2 million tons from 6.7 million tons owing to extended sugarcane crushing from Brazil and good cane output from Thailand and China which increase the overall sugar production.
- UP government hike SAP for sugarcane to Rs 290 for early variety, Rs. 280 for normal variety and Rs 275 for Rejected variety. Last year UP sugarcane SAP was Rs. 250, Rs.240 and Rs. 235 respectively. UP government also increased the transportation deduction expenses to 8.75 per quintal which means if farmer brought its produce upto mill then mills will pay additional Rs.8.75 per quintal as a transportation expenses.
- Gur prices improved today in Muzaffar nagar mandi owing to lower arrivals compared to prior day. It is notable that gur prices are likely to hover in a range with weak tone until cane crushing by millers picked up the pace in UP.
- It is notable that availability of cane in Maharashtra is pretty less this year which might affect the gur production. Also, shift of various jaggery producing units from UP to MP likely to downgrade gur production. Long term prospects of gur became bullish after considering above facts.

### Outlook:

Sugar prices rebound after the hike in SAP of sugarcane in UP. Prices likely to trade range bound in the coming week.

### NCDEX Sugar Future Quotes:

Contract	+/-	Open	High	Low	Close
Dec-12	-15	3272	3305	3260	3260
Jan-13	-4	3283	3305	3283	3295
Feb-13	-6	3345	3345	3333	3334

Contract	Volume	Change	OI	Change
Dec-12	3480	270	13830	-70
Jan-13	2390	-3720	31560	280
Feb-12	720	-1520	11610	-60

Spread	Dec-12	Jan-13	Feb-13
Basis	75		
Dec-12		24	66
Jan-13			42

Stocks	Demat	In-Process	Total	FED
	10.12.12	10.12.12	10.12.12	10.12.12
Kolhapur M	14295	750	15045	14295
Kolhapur S(old)	315	0	315	315
Kolhapur S(New)	900	0	900	900
Sangli S	-	-	-	-

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

Contract	Open	High	Low	Close	+/-
Mar-13	514.6	515.5	505.1	506	-9.5
May-13	520.7	521.1	511.6	512.1	-10.1
Aug-13	523.5	524.5	515.2	515.6	-10

### NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Dec-12	4	1081.5	1082	1079	1081.5
Jan-13	9.5	1130	1158	1130	1137
March-13	4.5	1154	1160	1151.5	1156

Contract	Volume	Change	OI	Change
Dec-12	580	210	1200	-430
Jan-13	3860	120	6370	370
March-13	1900	-500	6220	580

Spread	Dec-12	Jan-13	Mar-13
Basis	-27.5		
Dec-12		50	74.5
Jan-13			24.5

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

Contract	Open	High	Low	Close	+/-
Mar-13	19.21	19.24	18.72	18.76	-0.45
May-13	19.25	19.34	18.87	18.91	-0.44
Jul-13	19.38	19.44	19	19.02	-0.46

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

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	410.25	
Raw Sugar C&F (\$/MT)	Black Sea	437.25	
Sugar White FOB (\$/MT)	Santos Port	501.25	

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

Contract	Close	+/-
Mar'13/Mar'13	93.5	2
May'13/May'13	95.25	-0.75
Aug'13/July'13	96	-1

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

Contract	Close	+/-
Dec'12	18.51	-0.01
Mar'12	19.99	0.75
May'12	18.2	0.38

## Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		11-Dec-12	10-Dec-12	
Sugar	Delhi - Grade M	3520	3550	-30
	Delhi - Grade S	3500	3480	20
	Delhi - Grade L	3580	-	-
	UP- Khatauli Grade M	3550	3550	Unch
	UP- Ramala Grade M	3270	3270	Unch
	Mumbai –Grade M	3542	3601	-59
	Mumbai –Grade S	3391	3386	5
	Kolhapur – Grade M	3350	3350	Unch
	Kolhapur – Grade S	3250	3250	Unch
	Vijayawada – Grade M	3750	3800	-50
	Vijayawada- Grade S	3630	3660	-30
	Nagpur – Grade S	3500	3500	Unch
	Kolkata – Grade M	-	-	-
	Chennai - Grade S	3300	3310	-10

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

## Gur Spot Prices (Rs/Qtl)

		11-Dec-12	10-Dec-12	
Muzaffar Nagar	Chaku New	2663	2625	38
	Arrivals	10000	15000	-5000
	Khurpa	2450	2450	Unch
	Laddu	2613	2575	38
	Rascut	-	-	-
MP	Kareli (Narsinghpur)		2200-2350	-
	Gadarwara (Narsinghpur)	-	-	-
Maharashtra	Lal Variety	-	-	-
	Kolhapur	3200	3200	Unch
Bangalore	Achhu	3200	3200	Unch
	Mudde	3400	3400	Unch
Belgaum	Mudde	-	3100	-

Belthangadi	Yellow (Average)	3400	3400	Unch
Bijapur	Achhu	3000	3050	-50
Gulbarga	Other (Average)	3125	3000	125
Mahalingapura	Penti (Average)	2950	2940	10
Mandya	Achhu (Medium)	-	-	-
	Kurikatu (Medium)	-	-	-
	Other (Medium)	-	-	-
	Yellow (Medium)	-	-	-
Shimoga	Achhu (Average)	3400	3400	Unch

Gur Prices are in INR/Quintal. (1 Quintal=100 kg), Arrivals in bags (40kg each)

UP Private Mills Tender Rates				
Centre	Origin/Grade	11-Dec-12	10-Dec-12	Change
Dorala	M-30	3480	3480	Unch
Mawana	M-30	3490	3490	Unch
Modinagar	M-30	3445	3445	Unch
Malakpur	M-30	3420	3420	Unch
Simbholi	M-30	3540	3540	Unch
Asamoli	M-30	3540	3540	Unch
Dhanora	M-30	3440	3440	Unch
Dhampur	M-30	3430	3430	Unch
Kinnoni	M-31	3600	3600	Unch
Budhana	M-31	3600	3600	Unch
Thanabhavan	M-31	3600	3600	Unch
UP Government Mills Tender Rates				
Centre	Origin/Grade	11-Dec-12	10-Dec-12	Change
Nazibabad	M-30	3150	3150	Unch
Sakoti	M-30	3200	3200	Unch
Amroha	M-30	-	-	-
Chandpur	M-31	-	-	-
UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	11-Dec-12	10-Dec-12	Change
Baghpat	M-30	3200	3200	Unch
Gajraula	M-30	3170	3170	Unch
BulandShahar	M-30	-	-	-
Anupshahar	M-30	3150	3150	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	10-Dec-12
AGASTI	OLD S.PP	3288
RAHURI	OLD S.PP	3195
	S1.PP	3280.00-3285.00
VITTHAL PANDHARPUR	S1.PP	3240

	M.PP	3310
DAUND AGRO	S.JK	3250
	S1.PP	3250
KOLPEWADI	S.JK-S1.JB	3230.00-3356.00
	M.JB	3387
AKLUJ	S1.JK	3219.00-3221.00
SIDDHANATH	S.PP-S1.PP	3180.00-3190.00
	M.PP	3250
BHOGAWATI	S.PP	3223
JAWAHAR	S2.PP	3213.00 OPEN
	M2.PP-M1.PP	3243.00-3313.00

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