

Sugar & Gur Domestic & International Fundamentals

- Government is likely decide to raise sugar import duty by the end of year to save the domestic millers from declining sugar prices in International and increasing sugar imports in India.
- Presently, Indian government imposed 10% import duty on both raw as well as white sugar. However, despite of 10% import duty, raw sugar imports are viable at ports located near to Western India like JNPT, Pipavav, Mundra ports etc. Reportedly, Renuka Sugars is pretty much active in sugar trade at present as its sugar unit in Brazil helps it to import raw sugar at lower rate at Indian ports.
- Brazil raw sugar premium is trading at 10 points above New York March contract while Thai raw sugar premium Hipol or high polarization is trading steady at 65 points to New York March contract. It is also notable that Pakistan FOB prices traded at \$530 up by \$10 from prior week for lower 100 ICUSMA grade which is competing from Indian white sugar prices.
- Russia will produce 4.7 million-4.8 million tonnes of beet sugar in 2012, down from a record 5.1 million tonnes last year.
- Russia, which entered the global sugar market last year, might reduce exports to 120,000 metric tonnes this year from 245,000 tonnes in 2011.
- 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	3200	3200	3195	3195
Jan-13	-2	3295	3301	3290	3294
Feb-13	-2	3340	3344	3335	3338

Contract	Volume	Change	OI	Change
Dec-12	770	680	4340	-8210
Jan-13	3080	-7550	29850	-60660
Feb-12	580	-760	12820	-25430

Spread	Dec-12	Jan-13	Feb-13
Basis	155		
Dec-12		-99	-44
Jan-13			

NCDEX Stock Position

Stocks	Demat	In-Process	Total	FED
	14.12.12	14.12.12	14.12.12	10.12.12
Kolhapur M(old)	13766	500	14266	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	+/-
13-Mar	501.3	509	499.8	508.7	8.9
13-May	507.8	515.7	506.5	515.3	9
13-Aug	512.6	519.7	510.8	519.4	8.7

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Dec-12	-7	1071	1071	1068	1068
Jan-13	-3	1127	1129.5	1121.5	1124
March-13	-5	1149.5	1152	1143.5	1144.5

Contract	Volume	Change	OI	Change
Dec-12	100	-620	670	-90
Jan-13	2200	-1990	6350	-170
March-13	1600	-860	7500	480

Spread	Dec-12	Jan-13	Mar-13
Basis			
Dec-12			
Jan-13			

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Mar-13	18.63	19.06	18.6	19.01	0.47
May-13	18.75	19.16	18.74	19.13	0.43
Jul-13	18.83	19.24	18.83	19.22	0.42

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	396.50	-7.50
Raw Sugar C&F (\$/MT)	Black Sea	425.50	-7.50
Sugar White FOB (\$/MT)	Santos Port	487.75	-7.50

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Mar'13/Mar'13	91	0
May'13/May'13	94	0
Aug'13/July'13	96.25	0.75

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Contract	Close	+/-
Dec'12	18.6	0.06
Mar'12	19.99	0.01
May'12	18.21	0.01

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		15-Dec-12	14-Dec-12	
Sugar	Delhi - Grade M	3525	3540	-15
	Delhi - Grade S	3490	3480	10
	Delhi - Grade L	3575	3560	15
	UP- Khatauli Grade M	-	-	-
	UP- Ramala Grade M	3240	3240	Unch
	Mumbai –Grade M	3551	3601	-50
	Mumbai –Grade S	3381	3381	Unch
	Kolhapur – Grade M	3350	3350	Unch
	Kolhapur – Grade S	3250	3250	Unch
	Vijayawada – Grade M	3720	3750	-30
	Vijayawada- Grade S	3600	3630	-30
	Nagpur – Grade S	3500	3500	Unch
	Kolkata – Grade M	-	-	-
	Chennai - Grade S	3300	3300	Unch

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

Gur Spot Prices (Rs/Qtl)

		15-Dec-12	14-Dec-12	
Muzaffar Nagar	Chaku New	2575	-	-
	Arrival(Chaku New)	6000	-	-
	Khurpa	2488	-	-
	Laddu	2613	-	-
	Rascut	-	-	-
Maharashtra	Lal Variety	2850	2850	Unch
Maharashtra	Kolhapur	3500	3500	Unch
Bangalore	Achhu	3200	3200	Unch
	Mudde	3400	3400	Unch
Belgaum	Mudde	-	3000	-
Belthangadi	Yellow (Average)	-	3200	-
Bijapur	Achhu	2815	3000	-185

Gulbarga	Other (Average)	-	3100	-
Mahalingapura	Penti (Average)	-	2940	-
Mandya	Achhu (Medium)	-	2600	-
	Kurikatu (Medium)	-	2600	-
	Other (Medium)	-	2450	-
	Yellow (Medium)	-	2500	-
Shimoga	Achhu (Average)	3425	3450	-25

UP Private Mills Tender Rates				
Centre	Origin/Grade	15-Dec-12	14-Dec-12	Change
Dorala	M-30	3455	3455	Unch
Mawana	M-30	3475	3475	Unch
Modinagar	M-30	3435	3435	Unch
Malakpur	M-30	3395	3395	Unch
Simbholi	M-30	3535	3535	Unch
Asamoli	M-30	3530	3530	Unch
Dhanora	M-30	3430	3430	Unch
Dhampur	M-30	3400	3400	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	15-Dec-12	14-Dec-12	Change
Nazibabad	M-30	3110	3110	Unch
Sakoti	M-30	-	-	-
Amroha	M-30	-	-	-
Chandpur	M-31	3350	3350	Unch

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	15-Dec-12	14-Dec-12	Change
Baghpat	M-30	3190	3190	Unch
Gajraula	M-30	3130	3130	Unch
BulandShahar	M-30	-	-	-
Anupshahar	M-30	3130	3130	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	14-Dec-12
DATT SHIROL	S1.PP	3230.00 OPEN
	M.PP	3328.00 OPEN
WARANA	S1.PP	3228.00 OPEN
	S2.PP	3223.00 OPEN

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