

Sugar & Gur Domestic & International Fundamentals

- Sugar prices continuously moving down in key spot markets today due to supply pressure by millers.
- Government is likely to take any decision on sugar exports in January after the assessment of sugarcane crop and estimated sugar output. However, if government again allowed free exports then millers would not found any export parity as globally sugar prices seems not bullish considering surplus and good supply of sugar from Brazil and Thailand.
- Thai raw sugar premium traded steady at 65 points over ICE raw sugar future prices as reported.
- Indonesia government sees 2013 raw sugar imports stood at 2.6 million tons which was 2.53 million tons last year.
- 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.
- Gur prices are moving sideways today in Muzaffar nagar spot markets.
- 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	-3	3200	3200	3182	3200
Jan-13	-19	3288	3290	3271	3272
Feb-13	-8	3325	3331	3320	3328

Contract	Volume	Change	OI	Change
Dec-12	60	-1230	4010	-40
Jan-13	4570	1830	31500	940
Feb-12	780	-330	13380	220

Spread	Dec-12	Jan-13	Feb-13
Basis	100		
Dec-12		72	128
Jan-13			56

Stocks	Demat	In-Process	Total	FED
	17.12.12	17.12.12	17.12.12	17.12.12
Kolhapur M	14266	800	15066	14266
Kolhapur S(old)	315	0	315	315
Kolhapur S(New)	900	0	900	700
Sangli S	-	-	-	-

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
Mar-13	512.5	522	511.8	520.8	12.1
May-13	518	527.4	518	526.3	11
Aug-13	523.4	530	522.5	529.7	10.3

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Dec-12	7.5	1075	1075	1075	1075
Jan-13	-6	1119	1122.5	1115	1116.5
March-13	-4	1143	1146	1141	1142

Contract	Volume	Change	OI	Change
Dec-12	20	-40	600	-10
Jan-13	2320	-1600	6260	-40
March-13	1960	-1690	8070	150

Spread	Dec-12	Jan-13	Mar-13
Basis	-35		
Dec-12		41.5	67
Jan-13			25.5

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
Mar-13	19.15	19.45	19.14	19.41	0.4
May-13	19.16	19.51	19.16	19.5	0.37
Jul-13	19.25	19.59	19.25	19.58	0.36

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	411.5	
Raw Sugar C&F (\$/MT)	Black Sea	440.5	
Sugar White FOB (\$/MT)	Santos Port	502.75	

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Mar'13/Mar'13	92.75	1.75
May'13/May'13	96.25	2.25
Aug'13/July'13	97.5	1.25

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Contract	Close	+/-
Dec'12	18.33	-0.27
Mar'12	19.81	-0.18
May'12	18.03	-0.18

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		18-Dec-12	17-Dec-12	
Sugar	Delhi - Grade M	3500	3520	-20
	Delhi - Grade S	3440	3450	-10
	Delhi - Grade L	3520	3550	-30
	UP- Khatauli Grade M	-	-	-
	UP- Ramala Grade M	3205	3205	Unch
	Mumbai –Grade M	3536	3546	-10
	Mumbai –Grade S	3376	3386	-10
	Kolhapur – Grade M	3300	3325	-25
	Kolhapur – Grade S	3200	3225	-25
	Vijayawada – Grade M	3700	3720	-20
	Vijayawada- Grade S	3580	3600	-20
	Nagpur – Grade S	3500	3500	Unch
	Kolkata – Grade M	-	-	-
	Chennai - Grade S	3250	3250	Unch

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

Gur Spot Prices (Rs/Qtl)

		18-Dec-12	17-Dec-12	
Muzaffar Nagar	Chaku New	2600	2600	Unch
	Arrivals	6000	4000	2000
	Khurpa	2538	2500	38
	Laddu	2600	2575	25
	Rascut	-	-	-
MP	Kareli (Narsinghpur)			
	Gadarwara (Narsinghpur)			
Maharashtra	Lal Variety	2800	Closed	-
	Kolhapur	3600	3600	Unch
Bangalore	Achhu	3200	3200	Unch
	Mudde	3400	3400	Unch
Belgaum	Mudde	-	-	-

Belthangadi	Yellow (Average)	3200	3200	Unch
Bijapur	Achhu	2950	3100	-150
Gulbarga	Other (Average)	3000	3100	-100
Mahalingapura	Penti (Average)	3000	2940	60
Mandya	Achhu (Medium)	-	-	-
	Kurikatu (Medium)	-	-	-
	Other (Medium)	-	-	-
	Yellow (Medium)	-	-	-
Shimoga	Achhu (Average)	3440	3425	15

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

UP Private Mills Tender Rates				
Centre	Origin/Grade	18-Dec-12	17-Dec-12	Change
Dorala	M-30	3440	3440	Unch
Mawana	M-30	3460	3460	Unch
Modinagar	M-30	3385	3385	Unch
Malakpur	M-30	3355	3355	Unch
Simbholi	M-30	3520	3520	Unch
Asamoli	M-30	3510	3510	Unch
Dhanora	M-30	3390	3390	Unch
Dhampur	M-30	3380	3380	Unch
Kinnoni	M-31	3595	3595	Unch
Budhana	M-31	3495	3495	Unch
Thanabhavan	M-31	3495	3495	Unch
UP Government Mills Tender Rates				
Centre	Origin/Grade	18-Dec-12	17-Dec-12	Change
Nazibabad	M-30	3095	3095	Unch
Sakoti	M-30	-	-	-
Amroha	M-30	-	-	-
Chandpur	M-31	3350	3350	Unch
UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	18-Dec-12	17-Dec-12	Change
Baghpat	M-30	3215	3215	Unch
Gajraula	M-30	3115	3115	Unch
BulandShahar	M-30	-	-	-
Anupshahar	M-30	3100	3100	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	17-Dec-12
PRAVARA	OLD M.JK	3305
	M.JK	3315
SHREEPUR	S.JK-S1.PP	3202.00-3255.00
	M.PP	3280
AKLUJ	S1.JK	3203.00-3207.00

GADHINGLAJ	S1.PP	3170.00 OPEN
	M.PP	3240.00 OPEN
WARANA	S1.PP	3228.00 OPEN
	S2.PP	3223.00 OPEN
KUMBHI	S1.PP	3216.00 OPEN
BIDRI	S.PP	3198.00 OPEN
	M.PP	3223.00 OPEN
BHOGAWATI	M.PP	3413.00 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.