

## Sugar & Gur Domestic & International Fundamentals

- Steady to weak sentiments recorded in key sugar spot markets on Friday.
- Maharashtra has produced 19.79 lac tons of sugar till date in this season starting from Oct 1 2012 with an average recovery of 10.02% which that is higher from last year sugar production (~18.93 lac tons) at same period.
- Iran has issued a tender to buy minimum 50000 tons of white sugar from all origins. Closing date of the tender is 29<sup>th</sup> December, according to the Iraqi trade ministry.
- Government will reduce carryover period for unsold levy sugar to six months from present 24 months. It would give some respite to the millers. If government agencies failed to lift the stock in the mentioned time period then mills can sold it in the open market.
- Government has permitted 10000 tons of sugar exports to EU in the current marketing year 2012-13. It is notable that under a WTO rule, India has to export 10000 tons of sugar to EU annually.
- Higher sugar output in Brazil led the buyers getting good discount. Raw sugar premium was offered at a discount of 0.55 cents to the price of March ICE contract.
- Pakistan has allowed 5 lac tons of sugar export without putting any quantitative restrictions on mills. Exporters need to export sugar within 90 days after registering for exports.
- Gur prices declined sharply today owing to higher arrivals in Muzaffar nagar spot mandi..
- 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 are steady at the moment and waiting for some cues. However, severe downside from this level not seems possible as imported raw sugar and domestic prices are close enough.

### NCDEX Sugar Future Quotes:

Contract	+/-	Open	High	Low	Close
Jan-13	8	3252	3270	3252	3265
Feb-13	2	3305	3310	3302	3305
Mar-13	2	3355	3367	3354	3358

Contract	Volume	Change	OI	Change
Jan-13	6110	-8480	27960	-2090
Feb-13	1410	-4000	16840	290
Mar-13	410	-1480	6210	-130

Spread	Jan-13	Feb-13	Mar-13
Basis	35		
Jan-13		40	93
Feb-13			53

Stocks	Demat	In-Process	Total	FED
	20.12.12	20.12.12	20.12.12	17.12.12
Kolhapur M	14230	0	14230	14295
Kolhapur S(old)	369	0	369	315
Kolhapur S(New)	927	0	927	900
Sangli S	-	-	-	-

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

Contract	Open	High	Low	Close	+/-
Mar-13	516.4	517	508.9	516.2	-1.6
May-13	521.2	522.2	514.5	521.3	-1.3
Aug-13	523.4	525.3	517.3	524.6	-0.9

### NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Jan-13	3.5	1102	1111	1100	1109
March-13	7	1127.5	1137.5	1127	1136.5
July-13	0.5	1235.5	1248	1226.5	1242

Contract	Volume	Change	OI	Change
Jan-13	3600	-1520	5740	-460
March-13	3550	200	8420	160
July-13	190	-90	610	10

Spread	Jan-13	Mar-13	July-13
Basis	-59		
Jan-13		27.5	133
Feb-13			105.5

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

Contract	Open	High	Low	Close	+/-
Mar-13	19.28	19.29	18.81	19.25	0.02
May-13	19.38	19.39	18.95	19.36	0.02
Jul-13	19.48	19.52	19.08	19.49	0.04

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

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	412.00	+3.25
Raw Sugar C&F (\$/MT)	Black Sea	441.00	+3.25
Sugar White FOB (\$/MT)	Santos Port	493.00	-6.75

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

Contract	Close	+/-
Mar'13/Mar'13	93.5	0.75
May'13/May'13	96	-0.25
Aug'13/July'13	96.5	-1

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

Contract	Close	+/-
Dec'12	18.42	0.09
Mar'12	19.69	-0.12
May'12	17.92	-0.11

## Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		21-Dec-12	20-Dec-12	
Sugar	Delhi - Grade M	3450	3450	Unch
	Delhi - Grade S	3400	3400	Unch
	Delhi - Grade L	3480	3480	Unch
	UP- Khatauli Grade M	-	-	-
	UP- Ramala Grade M	3205	3205	Unch
	Mumbai -Grade M	3526	3536	-10
	Mumbai -Grade S	3351	3361	-10
	Kolhapur - Grade M	3300	3300	Unch
	Kolhapur - Grade S	3200	3200	Unch
	Vijayawada - Grade M	3680	3680	Unch
	Vijayawada- Grade S	3560	3560	Unch
	Nagpur - Grade S	3450	3450	Unch
	Kolkata - Grade M	-	-	-
	Chennai - Grade S	3200	3250	-50

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

## Gur Spot Prices (Rs/Qtl)

		21-Dec-12	20-Dec-12	
Muzaffar Nagar	Chaku New	2625	2750	-125
	<b>Arrivals</b>	15000	15000	Unch
	Khurpa	2450	2500	-50
	Laddu	2538	2550	-12
	Rascut	-	-	-
MP	Kareli (Narsinghpur)			
	Gadarwara (Narsinghpur)			
Maharashtra	Lal Variety	2800	2800	Unch
	Kolhapur	3300	3300	Unch
Bangalore	Achhu	3400	3400	Unch
	Mudde	3500	3500	Unch
Belgaum	Mudde	3000	3000	Unch

Belthangadi	Yellow (Average)	3200	3200	Unch
Bijapur	Achhu	3000	3000	Unch
Gulbarga	Other (Average)	2760	2788	-28
Mahalingapura	Penti (Average)	2940	2960	-20
Mandya	Achhu (Medium)	2700	2700	Unch
	Kurikatu (Medium)	2500	2500	Unch
	Other (Medium)	2550	2550	Unch
	Yellow (Medium)	2650	2650	Unch
Shimoga	Achhu (Average)	3375	3400	-25

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

#### UP Private Mills Tender Rates

Centre	Origin/Grade	21-Dec-12	20-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	21-Dec-12	20-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	21-Dec-12	20-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	20-Dec-12
SIDDHANATH	S1.PP-S2.PP	3223.00-3173.00
	M.PP	3273.00 OPEN
SHREEPUR	S.PP-S1.PP	3198.00-3258.00
	M.PP	3278.00 OPEN
AKLUJ	S.JK	3182.85

PRAVARA	S.PP	3190
SHARAD	S.PP	3188.00 OPEN
	M.PP	3228.00 OPEN

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