

Sugar & Gur Domestic & International Fundamentals

- Steady to weak sentiments recorded in key sugar spot markets on Tuesday.
- Brazil has exported 2.346 million tons of sugar, raw value, in January 2013 higher from 1.23 million tons exported last year same period.
- UP has produced 3.72 million tons of sugar after crushing 43 million tons of cane with an average recovery of 8.86% till 31st January 2013.
- India produced 13.63 million tons of sugar during Oct-Jan 2012-13 period up by 2 percent Y-o-Y. Out of total sugar production, Maharashtra and UP sugar mills contributes around 4.7 million tons and 3.58 million tons respectively.
- Karnataka sugar mills produce 2.39 million tons of sugar after crushing 23.33 million tons of cane with an average recovery of 10.26% till 2nd February 2013 starting from Oct 2012.
- World top sugar refiner, Al Khaleej Sugar co. stopped its sugar processing unit based in Dubai. Weak refined sugar demand internationally and sugar stocks piling up at silos urge them to stop refining operations of raw sugar. It is notable that Al Khaleej sugar refinery has 6000 TCD capacity per day.
- No arrivals has been reported in Muzaffar nagar gur market today owing to continuous drizzle in the region which hampers the arrivals.
- Lack of arrivals and weak numbers for gur stored in Cold storages and expected lower gur production in Maharashtra due to lower cane crop this season turned the market bullish in gur as reported.
- Good demand of UP gur has been witnessed from Haryana, Punjab and Rajasthan confirmed by lower pace of gur stored in the cold storages compared to last couple of weeks.

Outlook:

Despite of extension of releasing sugar quota in the open market, sugar prices again started declining owing to consistent sugar imports from Brazil which bound our sugar prices estimate bearish for the coming weeks.

NCDEX Sugar Future Quotes:

Contract	+/-	Open	High	Low	Close
Feb-13	3	3065	3072	3050	3070
Mar-13	1	3116	3125	3108	3123
Apr-13	-6	3182	3182	3164	3179

Contract	Volume	Change	OI	Change
Feb-13	12450	2850	27000	-730
Mar-13	12330	2990	24580	2660
Apr-13	4820	460	12480	1570

Spread	Feb-13	Mar-13	Apr-13
Basis	130		
Feb-13		53	109
Mar-13			56

Stocks	Demat	In-Process	Total	FED
	04.02.13	04.02.13	04.02.13	04.02.13
Kolhapur M(New)	12699	1449	14148	8402
Kolhapur S(New)	577	2150	2727	577
Sangli S	1334	0	1334	1334

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
13-Mar	502.8	503.8	498.1	498.5	-4
13-May	512	512.8	507	507.6	-4
13-Aug	515.3	516	510.9	511.3	-4.4

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
March-13	-0.5	1110	1113	1105	1108
July-13	-1	1256	1262	1255.5	1258
Sept-13	7.5	1287.5	1295.5	1287.5	1295.5

Contract	Volume	Change	OI	Change
March-13	3300	1330	8570	80
July-13	440	-270	2790	90
Sept-13	60	30	370	40

Spread	Mar-13	July-13	Sept-13
Basis			
Mar-13			
July-13			

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
13-Mar	18.84	18.97	18.71	18.73	-0.16
13-May	18.83	18.98	18.75	18.77	-0.16
13-Jul	19.12	19.21	18.97	19	-0.21

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	412.50	-4.00
Raw Sugar C&F (\$/MT)	Black Sea	445.00	-4.00
Sugar White FOB (\$/MT)	Santos Port	491.50	-4.00

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Mar'13/Mar'13	86.00	
May'13/May'13	94.25	
Aug'13/July'13	92.25	

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Contract	Close	+/-
Brazil Domestic Sugar	19.38	
Brazil Anhydrous	21.26	
Brazil Hydrous	19.42	

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		05-Feb-13	04-Feb-13	
Sugar	Delhi - Grade M	3360	3380	-20
	Delhi - Grade S	3320	3360	-40
	Delhi - Grade L	3400	-	-
	UP- Khatauli Grade M	3400	3400	Unch
	UP- Ramala Grade M	3350	3340	+10
	Mumbai –Grade M	3311-3436	3311-3421	+15
	Mumbai –Grade S	3232-3271	3236-3276	-5
	Kolhapur – Grade M	3200	3200	Unch
	Kolhapur – Grade S	3100	3100	Unch
	Vijayawada – Grade M	3550	3570	-20
	Vijayawada- Grade S	3450	3470	-20
	Nagpur – Grade S	3400	3400	Unch
	Kolkata – Grade M	-	-	-
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3150	3150	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	3145	3145	Unch
	Chennai - Grade S	3050	3050	Unch

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

Gur Spot Prices (Rs/Qtl)

		05-Feb-13	04-Feb-13	
Muzaffar Nagar	Chaku New	-	2638	-
	Arrival(Chaku New)	-	1000	-
	Khurpa	-	2600	-
	Laddu	-	2750	-
	Rascut	-	-	-
Maharashtra	Lal Variety	2800	2800	Unch
Maharashtra	Kolhapur	3200	3200	Unch
Bangalore	Achhu	3000	3000	Unch
	Mudde	3300	3300	Unch
Belgaum	Mudde	-	3100	-

Belthangadi	Yellow (Average)	-	-	-
Bijapur	Achhu	2860	2710	+150
Gulbarga	Other (Average)	3860	2900	-40
Mahalingapura	Penti (Average)	2950	2930	+20
Mandya	Achhu (Medium)	2450	2450	Unch
	Kurikatu (Medium)	2300	2300	Unch
	Other (Medium)	2400	2400	Unch
	Yellow (Medium)	2450	2400	+50
Shimoga	Achhu (Average)	2925	3000	-75

UP Private Mills Tender Rates				
Centre	Origin/Grade	5-Feb-13	4-Feb-13	Change
Dorala	M-30	3290	3290	Unch
Mawana	M-30	3320	3320	Unch
Modinagar	M-30	3265	3265	Unch
Malakpur	M-30	3250	3250	Unch
Simbholi	M-30	3380	3380	Unch
Asamoli	M-30	3335	3335	Unch
Dhanora	M-30	3275	3275	Unch
Dhampur	M-30	3255	3255	Unch
Kinnoni	M-31	3410	3410	Unch
Budhana	M-31	3310	3310	Unch
Thanabhavan	M-31	3305	3305	Unch

UP Government Mills Tender Rates				
Centre	Origin/Grade	5-Feb-13	4-Feb-13	Change
Nazibabad	M-30	3200	3200	Unch
Sakoti	M-30	3200	3200	Unch
Amroha	M-30	3190	3190	Unch
Chandpur	M-31	3230	3230	Unch

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	5-Feb-13	4-Feb-13	Change
Baghpat	M-30	3210	3210	Unch
Gajraula	M-30	3185	3185	Unch
BulandShahar	M-30	3260	3260	Unch
Anupshahar	M-30	3180	3180	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	4-Feb-13
SOMESHWAR	S1.PP	3123
	M.PP	3215
MULA	S.JK-S1.PP	3120.00-3150.00
	M.PP	3260
SADASHIV	S.PP-JB	3098.00-3108.00
	M..JB	3118
AMBALIKA	OLD S.PP	3076
SHREEPUR	S1.PP	3173

	M.PP	3298
AKLUJ	S1.JK	3130.00-3140.00
BHOGAWATI	S1.PP	3130
	M.PP	3273
WARANA	S1.PP	3108.00 OPEN
	S2.PP	3103.00 OPEN

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