

Sugar & Gur Domestic & International Fundamentals

- Sugar market crashed today in almost all the spot markets owing to weak demand and ample sugar supply by mills.
- Thailand produced 5.06 million tons of sugar, raw value, till 5th February down from 5.107 million tons sugar produced last year same period. It is notable that daily around 90000 tons of sugar produced by mills in Thailand.
- Global sugar output could slide in 2013-14 keeping in view drastic crash in sugar prices which could hamper the incentives to farmers from cane. It is notable that sugar prices are hovering near to cost of production level in the most of sugar exporting countries as reported.
- Meanwhile, Food ministry is seeking approval from cabinet regarding decontrolling sugar sector. This is the first time that government is showing such bold attitude towards reforms in sugar sector. After rumors of this news, sugar stocks rebound like anything in stock markets. Also, sugar prices also get some correction in NCDEX. Presently, sugar industry is suffering from over-regulation by government and ultimate benefactors are the sugar millers.
- No arrivals have been reported in Muzaffar nagar gur market today owing to continuous drizzle in the region which hampers the arrivals. Meanwhile, gur prices might get some downward correction in the coming days as gur manufacturers are not able to supply gur in the market owing to continuous rainfall in the region and good amount of arrivals would hit the market in the coming days which might take the prices downward for the short term.
- 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.

Outlook:

Sugar prices are catching volatility presently and expected downfall in the prices occurred in the last 6-7 days. Now, government would play a vital role here as food ministry is seeking approval of decontrol of sugar sector from cabinet, if it approves it then sugar prices should rebound from present level.

NCDEX Sugar Future Quotes:

Contract	+/-	Open	High	Low	Close
Feb-13	-57	3065	3074	3010	3020
Mar-13	-64	3116	3130	3063	3066
Apr-13	-75	3177	3178	3110	3116

Contract	Volume	Change	OI	Change
Feb-13	1480	-1160	20040	-640
Mar-13	17540	4800	28270	1400
Apr-13	9040	5650	15390	1770

Spread	Feb-13	Mar-13	Apr-13
Basis	155		
Feb-13		46	96
Mar-13			50

Stocks	Demat	In-Process	Total	FED
	06.02.13	06.02.13	06.02.13	04.02.13
Kolhapur M(New)	14397	1700	16097	8402
Kolhapur S(New)	2725	150	2875	577
Sangli S	1334	0	1334	1334

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
13-Mar	495.7	499.8	492.2	492.7	-4.1
13-May	505	505.3	496.1	496.6	-9.7
13-Aug	508.5	509.3	500.1	500.6	-9.6

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
March-13	-6	1107.5	1109	1100.5	1103
July-13	-7	1256.5	1256.5	1249	1252.5
Sept-13	-2	1288	1293	1288	1293

Contract	Volume	Change	OI	Change
March-13	4790	250	8580	-340
July-13	1490	300	2930	90
Sept-13	30	10	380	20

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	18.59	18.61	18.17	18.19	-0.37
13-May	18.67	18.68	18.21	18.22	-0.42
13-Jul	18.96	18.97	18.47	18.49	-0.44

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	401.50	-5.75
Raw Sugar C&F (\$/MT)	Black Sea	434.00	-5.75
Sugar White FOB (\$/MT)	Santos Port	480.50	-5.75

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
		07-Feb-13	06-Feb-13	
Sugar	Delhi - Grade M	3370	3360	10
	Delhi - Grade S	3325	3320	5
	Delhi - Grade L	3390	3390	Unch
	UP- Khatauli Grade M	3400	3400	Unch
	UP- Ramala Grade M	3320	3340	-20
	Mumbai –Grade M	3411	3436	-25
	Mumbai –Grade S	3243	3266	-23
	Kolhapur – Grade M	3175	3225	-50
	Kolhapur – Grade S	3075	3125	-50
	Vijayawada – Grade M	3550	3550	Unch
	Vijayawada- Grade S	3450	3450	Unch
	Nagpur – Grade S	3350	3400	-50
	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)

		07-Feb-13	06-Feb-13	
Muzaffar Nagar	Chaku New	-	-	-
	Arrival(Chaku New)	-	-	-
	Khurpa	-	-	-
	Laddu	-	-	-
	Rascut	-	-	-
Maharashtra	Lal Variety	2800	2800	Unch
Maharashtra	Kolhapur	3100	3100	Unch
Bangalore	Achhu	3000	3000	Unch
	Mudde	3300	3300	Unch
Belgaum	Mudde	3000	3000	Unch

Belthangadi	Yellow (Average)	3300	3300	Unch
Bijapur	Achhu	2760	-	-
Gulbarga	Other (Average)	2950	2900	50
Mahalingapura	Penti (Average)	2990	2960	30
Mandya	Achhu (Medium)	2450	2450	Unch
	Kurikatu (Medium)	2300	2300	Unch
	Other (Medium)	2400	2400	Unch
	Yellow (Medium)	2450	2450	Unch
Shimoga	Achhu (Average)	2900	2900	Unch

UP Private Mills Tender Rates				
Centre	Origin/Grade	07-Feb-13	06-Feb-13	Change
Dorala	M-30	3280	3280	Unch
Mawana	M-30	3310	3310	Unch
Modinagar	M-30	3255	3255	Unch
Malakpur	M-30	3240	3240	Unch
Simbholi	M-30	3370	3370	Unch
Asamoli	M-30	3325	3325	Unch
Dhanora	M-30	3265	3265	Unch
Dhampur	M-30	3245	3245	Unch
Kinnoni	M-31	3400	3400	Unch
Budhana	M-31	3300	3300	Unch
Thanabhavan	M-31	3295	3295	Unch

UP Government Mills Tender Rates				
Centre	Origin/Grade	07-Feb-13	06-Feb-13	Change
Nazibabad	M-30	3180	3180	Unch
Sakoti	M-30	3220	3220	Unch
Amroha	M-30	3240	3240	Unch
Chandpur	M-31	3240	3240	Unch

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	07-Feb-13	06-Feb-13	Change
Baghpat	M-30	3200	3200	Unch
Gajraula	M-30	3175	3175	Unch
BulandShahar	M-30	3250	3250	Unch
Anupshahar	M-30	3170	3170	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	6-Feb-13
WARANA	S1.PP	3188.00 OPEN
	S2.PP	3178.00 OPEN
SADASHIV	S.PP	3055
	S.JB	3103
PRASAD	S.PP	3111.00 OPEN
SHRIGONDA	S.PP	3090
	S.JB	3115
AGASTI	S1.PP	3135

	M.PP	3266
BHIMA PATAS	S.PP	3093
	M.PP	3170.00-3172.00
BIDRI	S1.PP	3073.00 OPEN
	M.PP	3148.00 OPEN
JAWAHAR	S2.PP	3050.00 OPEN
	M2.PP-M1.PP	3100.00-3150.00

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