

## Sugar & Gur Domestic & International Fundamentals

- Steady sentiments recorded in key sugar spot markets on Wednesday. Recent talks over increase in excise duty on sugar give some support to the sugar prices.
- No arrivals have been reported in Kolkata market as demand is weak in domestic market. Also, buyers are not showing interest in buying sugar in bearish run of the sugar prices overall. Only 1-2 rakes has been reported from Maharashtra in a month towards Kolkata.
- Brazilian mills might increase the ratio for producing ethanol over sugar in the coming season starting from April 2013 as raw sugar prices (18.08 cents a pound) are trading below ethanol prices (18.11 cents a pound) which encourage the millers to go for ethanol production rather than sugar production. Forecasts for the 2013-14 ethanol/sugar ratio might go to as high as 54% due to good export demand of ethanol.
- Gur prices declined today owing to higher arrivals compared to prior day as reported.
- 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.
- Total around 339000 bags of gur (40kg each) stored in cold storages till 4th February 2013 which are 123000 bags (40kg each) lower compared to last year same period. Out of total 339000 bags of gur, around 145000 bags of Chaku gur, 59000 bags of Rascut, 99000 bags of Papdi, and 1500 bags of Khurpa stored in the cold storages 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	-11	3110	3110	3060	3060
Mar-13	3	3100	3106	3087	3103
Apr-13	5	3133	3145	3130	3145

Contract	Volume	Change	OI	Change
Feb-13	150	-670	14360	-560
Mar-13	4420	-5560	25090	530
Apr-13	3070	-1590	19500	330

Spread	Feb-13	Mar-13	Apr-13
Basis	140		
Feb-13		43	85
Mar-13			42

Stocks	Demat	In-Process	Total	FED
	12.02.13	12.02.13	12.02.13	11.02.13
Kolhapur M(New)	15747	2850	18597	7938
Kolhapur S(New)	3625	0	3625	2925
Sangli S	1233	0	1233	1233

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

Contract	Open	High	Low	Close	+/-
13-Mar	500.7	501	493	493.1	-6.9
13-May	504.5	504.6	497.1	497.1	-7.3
13-Aug	507.1	507.1	501	501.1	-7

### NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
March-13	6	1091.5	1098	1088.5	1097
July-13	7.5	1241	1251	1239.5	1248.5
Sept-13	4	1283.5	1289	1283.5	1289

Contract	Volume	Change	OI	Change
March-13	5400	-120	6420	-230
July-13	1920	150	3650	150
Sept-13	90	60	370	60

Spread	Mar-13	July-13	Sept-13
Basis	-27		
Mar-13		151.5	192
July-13			40.5

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

Contract	Open	High	Low	Close	+/-
13-Mar	18.44	18.5	18.06	18.08	-0.36
13-May	18.49	18.49	18.04	18.07	-0.39
13-Jul	18.75	18.75	18.25	18.28	-0.38

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

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	400.25	
Raw Sugar C&F (\$/MT)	Black Sea	432.25	
Sugar White FOB (\$/MT)	Santos Port	479.25	

## 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
		13-Feb-13	12-Feb-13	
Sugar	Delhi - Grade M	3340	3340	Unch
	Delhi - Grade S	3310	3310	Unch
	Delhi - Grade L	3375	3375	Unch
	UP- Khatauli Grade M	3345	3360	-15
	UP- Ramala Grade M	3275	3290	-15
	Mumbai –Grade M	3431	3431	Unch
	Mumbai –Grade S	3272	3251	21
	Kolhapur – Grade M	3200	3200	Unch
	Kolhapur – Grade S	3100	3100	Unch
	Vijayawada – Grade M	3530	3530	Unch
	Vijayawada- Grade S	3430	3430	Unch
	Nagpur – Grade S	3350	3350	Unch
	Kolkata – Grade M	-	-	-
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3201	3201	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	3160	3160	Unch
	Chennai - Grade S	3000	3000	Unch

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

## Gur Spot Prices (Rs/Qtl)

		13-Feb-13	12-Feb-13	
Muzaffar Nagar	Chaku New	2675	2725	-50
	Arrival(Chaku New)	6000	1500	4500
	Khurpa	2563	2575	-12
	Laddu	2663	2713	-50
	Rascut	2375	2375	Unch
Maharashtra	Lal Variety	2800	2800	Unch
Maharashtra	Kolhapur	3200	3200	Unch
Bangalore	Achhu	3000	3000	Unch
	Mudde	3300	3300	Unch

<b>Belgaum</b>	Mudde	-	-	-
<b>Belthangadi</b>	Yellow (Average)	3300	3300	Unch
<b>Bijapur</b>	Achhu	-	2675	-
<b>Gulbarga</b>	Other (Average)	2900	2900	Unch
<b>Mahalingapura</b>	Penti (Average)	2990	2960	30
<b>Mandya</b>	Achhu (Medium)	2500	2450	50
	Kurikatu (Medium)	2300	2300	Unch
	Other (Medium)	2350	2300	50
	Yellow (Medium)	2450	2450	Unch
<b>Shimoga</b>	Achhu (Average)	-	2850	-

## UP Private Mills Tender Rates

Centre	Origin/Grade	13-Feb-13	12-Feb-13	Change
Dorala	M-30	3260	3260	Unch
Mawana	<b>M-30</b>	3290	3290	Unch
Modinagar	<b>M-30</b>	3250	3250	Unch
Malakpur	<b>M-30</b>	3220	3220	Unch
Simbholi	<b>M-30</b>	3340	3340	Unch
Asamoli	<b>M-30</b>	3335	3335	Unch
Dhanora	<b>M-30</b>	3270	3270	Unch
Dhampur	<b>M-30</b>	3220	3220	Unch
Kinnoni	M-31	3365	3365	Unch
Budhana	<b>M-31</b>	3265	3265	Unch
Thanabhavan	<b>M-31</b>	3270	3270	Unch

## UP Government Mills Tender Rates

Centre	Origin/Grade	13-Feb-13	12-Feb-13	Change
Morna	<b>M-30</b>	3190	3190	Unch
Nanotha	<b>M-30</b>	3180	3180	Unch
Nazibabad	<b>M-30</b>	3170	3170	Unch
Sakoti	<b>M-30</b>	3200	3200	Unch
Amroha	<b>M-30</b>	3240	3240	Unch
Chandpur	<b>M-31</b>	3240	3240	Unch

## UP Cooperative Mills Tender Rates

Centre	Origin/Grade	13-Feb-13	12-Feb-13	Change
Baghpat	M-30	3200	3200	Unch
Gajraula	M-30	3180	3180	Unch
BulandShahar	M-30	3250	3250	Unch
Anupshahar	M-30	3170	3170	Unch

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