

Sugar & Gur Domestic & International Fundamentals

- Steady to weak sentiments recorded in key sugar spot markets on Thursday.
- Around 123,500 tons of raw sugar awaiting loading from various ports of Brazil towards India, according to shipping agency Williams report. Indian sugar refineries like Renuka sugars are getting import parity from Brazil. It is notable that more than 1 million tons of raw sugar has already been imported from abroad as expected.
- 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 improved today despite of 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.
- 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	-26	3075	3075	3042	3046
Mar-13	-14	3100	3105	3082	3086
Apr-13	-9	3145	3145	3132	3135

Contract	Volume	Change	OI	Change
Feb-13	260	110	14160	-200
Mar-13	2920	-1500	25010	-80
Apr-13	1050	-2020	19660	160

Spread	Feb-13	Mar-13	Apr-13
Basis	129		
Feb-13		40	89
Mar-13			49

Stocks	Demat	In-Process	Total	FED
	13.02.13	13.02.13	13.02.13	11.02.13
Kolhapur M(New)	17046	2249	19295	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	493.8	498	492.9	495.5	2.4
13-May	497.9	501.3	497.6	499.8	2.7
13-Aug	502.2	505.5	501.5	503.7	2.6

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
March-13	3	1097	1103.5	1095	1099.5
July-13	0.5	1249	1254.5	1246	1250
Sept-13	6.5	1284	1294.5	1284	1292

Contract	Volume	Change	OI	Change
March-13	4580	-820	5800	-620
July-13	2170	250	3680	30
Sept-13	90	0	330	-40

Spread	Mar-13	July-13	Sept-13
Basis	-19.5		
Mar-13		150.5	192.5
July-13			42

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
13-Mar	18.15	18.36	18.07	18.23	0.15
13-May	18.14	18.28	18.06	18.2	0.13
13-Jul	18.29	18.48	18.27	18.41	0.13

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
		14-Feb-13	13-Feb-13	
Sugar	Delhi - Grade M	3345	3340	5
	Delhi - Grade S	3315	3310	5
	Delhi - Grade L	3375	3375	Unch
	UP- Khatauli Grade M	3345	3345	Unch
	UP- Ramala Grade M	3280	3275	5
	Mumbai –Grade M	3431	3431	Unch
	Mumbai –Grade S	3246	3272	-26
	Kolhapur – Grade M	3175	3200	-25
	Kolhapur – Grade S	3075	3100	-25
	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)

		14-Feb-13	13-Feb-13	
Muzaffar Nagar	Chaku New	2700	2675	25
	Arrival(Chaku New)	12000	6000	6000
	Khurpa	2563	2563	Unch
	Laddu	2650	2663	-13
	Rascut	2375	2375	Unch
Maharashtra	Lal Variety	2750	2800	-50
Maharashtra	Kolhapur	3200	3200	Unch
Bangalore	Achhu	3000	3000	Unch
	Mudde	3300	3300	Unch

Belgaum	Mudde	3000	3000	Unch
Belthangadi	Yellow (Average)	3300	3300	Unch
Bijapur	Achhu	2800	-	-
Gulbarga	Other (Average)	2750	2900	-150
Mahalingapura	Penti (Average)	-	2990	-
Mandya	Achhu (Medium)	2500	2500	Unch
	Kurikatu (Medium)	2300	2300	Unch
	Other (Medium)	2350	2350	Unch
	Yellow (Medium)	2450	2450	Unch
Shimoga	Achhu (Average)	2850	2875	-25

UP Private Mills Tender Rates				
Centre	Origin/Grade	14-Feb-13	13-Feb-13	Change
Dorala	M-30	3270	3260	10
Mawana	M-30	3290	3290	Unch
Modinagar	M-30	3250	3250	Unch
Malakpur	M-30	3220	3220	Unch
Simbholi	M-30	3360	3340	20
Asamoli	M-30	3340	3335	5
Dhanora	M-30	3245	3270	-25
Dhampur	M-30	3215	3220	-5
Kinnoni	M-31	3370	3365	5
Budhana	M-31	3270	3265	5
Thanabhavan	M-31	3265	3270	-5
UP Government Mills Tender Rates				
Centre	Origin/Grade	14-Feb-13	13-Feb-13	Change
Morna	M-30	3190	3190	Unch
Nanotha	M-30	3180	3180	Unch
Nazibabad	M-30	3180	3170	10
Sakoti	M-30	3220	3200	20
Amroha	M-30	-	3240	-
Chandpur	M-31	-	3240	-
UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	14-Feb-13	13-Feb-13	Change
Baghpat	M-30	3210	3200	10
Gajraula	M-30	3180	3180	Unch
BulandShahar	M-30	-	3250	-
Anupshahar	M-30	3170	3170	Unch



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