

Sugar & Gur Domestic & International Fundamentals

- Sugar prices improved today in key sugar spot markets on Tuesday taking cues from increase in sugar excise duty rumors. According to a leading news paper, government likely to increase the sugar excise duty to Rs 150 per quintal from Rs 98 per quintal.
- Around 3 rakes loaded with sugar moved towards Kolkata from Tamil Nadu at Rs 3350 delivered price as reported. Major sellers are Bannari and Thiru Arooran sugar mills.
- India has produced around 16.6 million tons of sugar till 15th February 2013 which is around 2.7% higher Y-o-Y.
- Government has removed the release order mechanism usually given by government to mills for exports. It will give a big relief to sugar millers in future. However, currently millers are not getting any export parity for sugar due to lower sugar prices at international front.
- Maharashtra sugar factories produce 57.83 lac tons of sugar after crushing 524.55 lac tons of cane with an average recovery of 11.03% so far. It is notable that present sugar figures already surpass ISMA's sugar production estimate for Maharashtra. Earlier, ISMA was estimating around 25 million tons of cane diverted towards fodder which proved wrong by the amount of cane availability for crushing to produce sugar.
- Gur prices improved today owing to lower arrivals thanks to unfavorable weather conditions.
- 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 355101 bags of gur (40kg each) stored in cold storages till 18th February 2013 which are 335899 bags (40kg each) lower compared to last year same period. Out of total 355101 bags of gur, around 155000 bags of Chaku gur, 60000 bags of Rascut, 100000 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	-34	3041	3138	3041	3091
Mar-13	-30	3178	3180	3141	3141
Apr-13	-17	3225	3230	3200	3201

Contract	Volume	Change	OI	Change
Feb-13	3030	1900	10710	-2020
Mar-13	14180	740	25060	820
Apr-13	6150	100	20790	1810

Spread	Feb-13	Mar-13	Apr-13
Basis			
Feb-13			
Mar-13			

Stocks	Demat	In-Process	Total	FED
	18.02.13	18.02.13	18.02.13	18.02.13
Kolhapur M(New)	20622	571	21193	7688
Kolhapur S(New)	3925	200	4125	3925
Sangli S	1233	0	1233	1233

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
13-Mar	492.6	493.9	489	490.3	-0.1
13-May	494.6	495.1	490.5	491.2	-1.3
13-Aug	495.9	496.5	492.6	493.2	-1.8

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
March-13	11	1111.5	1125	1109.5	1122.5
July-13	24	1272	1298	1270	1295
Sept-13	30	1319.5	1339.5	1319.5	1339.5

Contract	Volume	Change	OI	Change
March-13	7800	2470	5980	-430
July-13	6570	2840	5400	1160
Sept-13	310	250	590	170

Spread	Mar-13	July-13	Sept-13
Basis	1.5		
Mar-13		172.5	217
July-13			44.5

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
13-Mar	18.09	18.23	17.95	18	0.06
13-May	17.82	17.94	17.67	17.74	-0.03
13-Jul	18	18.1	17.84	17.89	-0.08

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	400.00	+0.25
Raw Sugar C&F (\$/MT)	Black Sea	432.00	+0.25
Sugar White FOB (\$/MT)	Santos Port	480.75	+0.25

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
		19-Feb-13	18-Feb-13	
Sugar	Delhi - Grade M	3370	3350	20
	Delhi - Grade S	3325	3325	Unch
	Delhi - Grade L	3400	3390	10
	UP- Khatauli Grade M	3365	3345	20
	UP- Ramala Grade M	3290	3290	Unch
	Mumbai –Grade M	-	3426	-
	Mumbai –Grade S	-	3246	-
	Kolhapur – Grade M	Closed	3200	-
	Kolhapur – Grade S	Closed	3100	-
	Vijayawada – Grade M	3560	3550	10
	Vijayawada- Grade S	3460	3450	10
	Nagpur – Grade S	3340	-	-
	Kolkata – Grade M	-	-	-
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3201	3201	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	3160	3160	Unch
	Chennai - Grade S	3035	3025	10

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

Gur Spot Prices (Rs/Qtl)

		19-Feb-13	18-Feb-13	
Muzaffar Nagar	Chaku New	2813	2800	13
	Arrival(Chaku New)	300	1500	-1200
	Khurpa	2625	2625	Unch
	Laddu	2700	2688	12
	Rascut	2450	2375	75
Maharashtra	Lal Variety	2750	2750	Unch
Maharashtra	Kolhapur	3100	3100	Unch
Bangalore	Achhu	3000	3000	Unch
	Mudde	3300	3300	Unch

Belgaum	Mudde	-	3100	-
Belthangadi	Yellow (Average)	3300	3300	Unch
Bijapur	Achhu	2675	2738	-63
Gulbarga	Other (Average)	2890	2850	40
Mahalingapura	Penti (Average)	2940	2940	Unch
Mandya	Achhu (Medium)	2500	2450	50
	Kurikatu (Medium)	2300	2300	Unch
	Other (Medium)	2400	2450	-50
	Yellow (Medium)	2450	2450	Unch
Shimoga	Achhu (Average)	2800	2840	-40

UP Private Mills Tender Rates

Centre	Origin/Grade	19-Feb-13	18-Feb-13	Change
Dorala	M-30	3285	3270	15
Mawana	M-30	3300	3290	10
Modinagar	M-30	3265	3250	15
Malakpur	M-30	3240	3220	20
Simbholi	M-30	3380	3360	20
Asamoli	M-30	3340	3340	Unch
Dhanora	M-30	3270	3245	25
Dhampur	M-30	3240	3215	25
Kinnoni	M-31	3380	3370	10
Budhana	M-31	3270	3270	Unch
Thanabhavan	M-31	3270	3265	5

UP Government Mills Tender Rates

Centre	Origin/Grade	19-Feb-13	18-Feb-13	Change
Morna	M-30	3195	3190	5
Nanotha	M-30	3190	3180	10
Nazibabad	M-30	3185	3180	5
Sakoti	M-30	3240	3220	20
Amroha	M-30	-	-	-
Chandpur	M-31	-	-	-

UP Cooperative Mills Tender Rates

Centre	Origin/Grade	19-Feb-13	18-Feb-13	Change
Baghpat	M-30	3215	3210	5
Gajraula	M-30	3195	3180	15
BulandShahar	M-30	-	-	-
Anupshahar	M-30	3180	3170	10

Maharashtra Cooperative Mills Tender Prices

Centre	Origin/Grade	18-Feb-13
SADASHIV	S.JB	3103
	M.JB	3125
SIDDHANATH	S1.PP	3100
	M.PP	3153

MADHA	S.PP	3070
	M.PP	3187
AKLUJ	S1.JK	3128
	M.JK	3227
PRASAD	S.PP	3140
	S1.PP	3170
BHIMA PATAS	OLD S.PP	3105
	M.PP	3201
KUMBHI	S1.PP	3133.00 OPEN
	M.PP	3288.00 OPEN
SONHIRA	S1.PP	3103
	M.PP	3203
WARANA	S1.PP	3191
	S2.PP	3186
DATT SHIROL	S1.PP	3123
	M1.PP	3223

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