

Sugar & Gur Domestic & International Fundamentals

- Steady tone recorded in major sugar spot markets on Wednesday. Market participants keep its close view over the government's stand over sugar decontrol which would decide the future of the sugar prices further.
- Millers are now showing interest in release their sugar stocks in the market keeping in view the increase in sugar excise duty.
- 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.
- Gur prices are traded steady in Muzaffar nagar spot market today. However, arrivals are pretty low compared to last year same period.
- 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	18	3115	3126	3110	3113
Mar-13	3	3160	3164	3139	3147
Apr-13	2	3172	3224	3172	3205

Contract	Volume	Change	OI	Change
Feb-13	3550	520	7110	-3600
Mar-13	7850	-6330	25920	860
Apr-13	4970	-1180	22060	1270

Spread	Feb-13	Mar-13	Apr-13
Basis	87		
Feb-13		34	92
Mar-13			58

Stocks	Demat	In-Process	Total	FED
	19.02.13	19.02.13	19.02.13	18.02.13
Kolhapur M(New)	21193	0	21193	7688
Kolhapur S(New)	4124	0	4124	3925
Sangli S	1233	0	1233	1233

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
13-Mar	497.9	498.3	493.1	495.6	5.3
13-May	496.4	497	492.2	494.7	3.5
13-Aug	495.9	497.3	492.9	495.6	2.4

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
March-13	-2	1124	1128.5	1116	1121.5
July-13	1.5	1298	1307	1290.5	1297
Sept-13	11	1336	1347	1332.5	1340.5

Contract	Volume	Change	OI	Change
March-13	4880	-2920	6300	320
July-13	4770	-1800	5850	450
Sept-13	390	80	670	80

Spread	Mar-13	July-13	Sept-13
Basis	2.5		
Mar-13		175.5	219
July-13			43.5

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
13-Mar	18.23	18.34	18.1	18.22	0.22
13-May	17.9	18.07	17.8	17.96	0.22
13-Jul	18.05	18.16	17.93	18.07	0.18

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	400.00	-2.75
Raw Sugar C&F (\$/MT)	Black Sea	432.00	-2.75
Sugar White FOB (\$/MT)	Santos Port	478.00	-1.75

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Mar'13/Mar'13	100.00	
May'13/May'13	97.00	
Aug'13/July'13	89.00	

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Contract	Close	+/-
Brazil Domestic Sugar	19.71	
Brazil Anhydrous	21.33	
Brazil Hydrous	20.90	

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		20-Feb-13	19-Feb-13	
Sugar	Delhi - Grade M	3370	3370	Unch
	Delhi - Grade S	3325	3325	Unch
	Delhi - Grade L	3400	3400	Unch
	UP- Khatauli Grade M	3380	3365	15
	UP- Ramala Grade M	3290	3290	Unch
	Mumbai –Grade M	3431	-	-
	Mumbai –Grade S	3246	-	-
	Kolhapur – Grade M	3200	Closed	-
	Kolhapur – Grade S	3100	Closed	-
	Vijayawada – Grade M	3600	3560	40
	Vijayawada- Grade S	3500	3460	40
	Nagpur – Grade S	3350	3340	10
	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	3035	Unch

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

Gur Spot Prices (Rs/Qtl)

		20-Feb-13	19-Feb-13	
Muzaffar Nagar	Chaku New	2813	2813	Unch
	Arrival(Chaku New)	500	300	200
	Khurpa	2600	2625	-25
	Laddu	2725	2700	25
	Rascut	2425	2450	-25
Maharashtra	Lal Variety	2750	2750	Unch
Maharashtra	Kolhapur	3200	3100	100
Bangalore	Achhu	-	3000	-
	Mudde	-	3300	-

Belgaum	Mudde	3000	-	-
Belthangadi	Yellow (Average)	3300	3300	Unch
Bijapur	Achhu	-	2675	-
Gulbarga	Other (Average)	-	2890	-
Mahalingapura	Penti (Average)	-	2940	-
Mandya	Achhu (Medium)	-	2500	-
	Kurikatu (Medium)	-	2300	-
	Other (Medium)	-	2400	-
	Yellow (Medium)	-	2450	-
Shimoga	Achhu (Average)	-	2800	-

UP Private Mills Tender Rates

Centre	Origin/Grade	20-Feb-13	19-Feb-13	Change
Dorala	M-30	3285	3285	Unch
Mawana	M-30	3300	3300	Unch
Modinagar	M-30	3265	3265	Unch
Malakpur	M-30	3240	3240	Unch
Simbholi	M-30	3380	3380	Unch
Asamoli	M-30	3340	3340	Unch
Dhanora	M-30	3270	3270	Unch
Dhampur	M-30	3240	3240	Unch
Kinnoni	M-31	3380	3380	Unch
Budhana	M-31	3270	3270	Unch
Thanabhavan	M-31	3270	3270	Unch

UP Government Mills Tender Rates

Centre	Origin/Grade	20-Feb-13	19-Feb-13	Change
Morna	M-30	3195	3195	Unch
Nanotha	M-30	3190	3190	Unch
Nazibabad	M-30	3185	3185	Unch
Sakoti	M-30	3240	3240	Unch
Amroha	M-30	-	-	-
Chandpur	M-31	-	-	-

UP Cooperative Mills Tender Rates

Centre	Origin/Grade	20-Feb-13	19-Feb-13	Change
Baghpat	M-30	3215	3215	Unch
Gajraula	M-30	3195	3195	Unch
BulandShahar	M-30	-	-	-
Anupshahar	M-30	3180	3180	Unch

Maharashtra Cooperative Mills Tender Prices

Centre	Origin/Grade	19-Feb-13
WARANA	S1.PP	3198.00 OPEN
	S2.PP	3193.00 OPEN

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