

Sugar & Gur Domestic & International Fundamentals

- Mostly prices of sugar improved in key sugar spot markets on Thursday as rumors of increase in sugar excise duty and sugar decontrol news led the sugar prices upwards.
- UP has produced around 45 lac tons of sugar after crushing 505.6 lac tons of cane with an average recovery of 8.9%. Daily around 5.5 lac tons of cane has been crushed by millers in UP. Recent rainfall in the region slows the pace of harvesting as well as crushing as reported.
- Demand of sugar witnessed from Maharashtra towards MP and Rajasthan. However, Delhi market is getting sugar only from UP as reported.
- 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. This boost in sugar production figures are due to boost in cane yield thanks to rainfall in October in various Cane producing belt in Maharashtra. Now, every one is interested how much sugar millers are able to produce. According to Agriwatch sources, Maharashtra sugar mills would end their cane crushing operations till mid of March and are likely to produce 6.5 to 6.8 million tons of sugar this year
- Around 7 rakes loaded with sugar is heading from TN towards Kolkata. Also, 7 rakes are loading at various centers of TN and Karnataka towards Kolkata as reported. Presently, there are no arrivals of sugar in Kolkata but huge amount of sugar heading towards this center would clearly indicates the price decline in the coming days as per our expectations.
- Gur prices are declined in Muzaffar nagar spot market today owing to higher arrivals compared to prior day. However, arrivals are pretty low compared to last year same period.
- 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
Mar-13	-11	3155	3155	3135	3138
Apr-13	-7	3204	3210	3192	3198
May-13	-8	3256	3262	3249	3250

Contract	Volume	Change	OI	Change
Mar-13	5540	-2310	26670	750
Apr-13	3800	-1170	23550	1490
May-13	330	-510	5860	50

Spread	Mar-13	Apr-13	May-13
Basis	37		
Feb-13		60	112
Mar-13			52

Stocks	Demat	In-Process	Total	FED
	20.02.13	20.02.13	20.02.13	18.02.13
Kolhapur M(New)	21792	0	21792	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	494.5	502	493.3	501.2	5.6
13-May	493.6	500.5	492.2	499.3	4.6
13-Aug	494.5	500.6	492.3	499.3	3.7

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
March-13	6	1119.5	1129	1117.5	1129
July-13	13.5	1295.5	1312	1292.5	1311
Sept-13	4	1339.5	1345	1339	1345

Contract	Volume	Change	OI	Change
March-13	3680	-1200	5940	-360
July-13	3310	-1460	6010	160
Sept-13	90	-300	690	20

Spread	Mar-13	July-13	Sept-13
Basis	-19		
Mar-13		182	216
July-13			34

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
13-Mar	18.2	18.46	18.08	18.35	0.13
13-May	17.95	18.23	17.82	18.13	0.17
13-Jul	17.98	18.3	17.93	18.23	0.16

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	400.25	+0.25
Raw Sugar C&F (\$/MT)	Black Sea	431.25	-0.75
Sugar White FOB (\$/MT)	Santos Port	478.25	+0.25

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
		21-Feb-13	20-Feb-13	
Sugar	Delhi - Grade M	3400	3370	30
	Delhi - Grade S	3340	3325	15
	Delhi - Grade L	3430	3400	30
	UP- Khatauli Grade M	3370	3380	-10
	UP- Ramala Grade M	3315	3290	25
	Mumbai –Grade M	3436	3431	5
	Mumbai –Grade S	3246	3246	Unch
	Kolhapur – Grade M	3175	3200	-25
	Kolhapur – Grade S	3075	3100	-25
	Vijayawada – Grade M	3600	3600	Unch
	Vijayawada- Grade S	3500	3500	Unch
	Nagpur – Grade S	3450	3350	100
	Kolkata – Grade M	3500	3460	40
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3201	3201	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	3160	3160	Unch
	Chennai - Grade S	3040	3035	5

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

Gur Spot Prices (Rs/Qtl)

		21-Feb-13	20-Feb-13	
Muzaffar Nagar	Chaku New	2775	2813	-38
	Arrival(Chaku New)	700	500	200
	Khurpa	2588	2600	-12
	Laddu	2688	2725	-37
	Rascut	2450	2425	25
Maharashtra	Lal Variety	2850	2750	100
Maharashtra	Kolhapur	3200	3200	Unch
Bangalore	Achhu	3000	-	-
	Mudde	3300	-	-

Belgaum	Mudde	3000	3000	Unch
Belthangadi	Yellow (Average)	3300	3300	Unch
Bijapur	Achhu	2670	-	-
Gulbarga	Other (Average)	2875	-	-
Mahalingapura	Penti (Average)	-	-	-
Mandya	Achhu (Medium)	-	-	-
	Kurikatu (Medium)	-	-	-
	Other (Medium)	-	-	-
	Yellow (Medium)	-	-	-
Shimoga	Achhu (Average)	2775	-	-

UP Private Mills Tender Rates

Centre	Origin/Grade	21-Feb-13	20-Feb-13	Change
Dorala	M-30	3310	3285	25
Mawana	M-30	3330	3300	30
Modinagar	M-30	3290	3265	25
Malakpur	M-30	3265	3240	25
Simbholi	M-30	3390	3380	10
Asamoli	M-30	3345	3340	5
Dhanora	M-30	3295	3270	25
Dhampur	M-30	3275	3240	35
Kinnoni	M-31	3405	3380	25
Budhana	M-31	3295	3270	25
Thanabhavan	M-31	3290	3270	20

UP Government Mills Tender Rates

Centre	Origin/Grade	21-Feb-13	20-Feb-13	Change
Morna	M-30	3210	3195	15
Nanotha	M-30	3200	3190	10
Nazibabad	M-30	3195	3185	10
Sakoti	M-30	3245	3240	5
Amroha	M-30	-	-	-
Chandpur	M-31	-	-	-

UP Cooperative Mills Tender Rates

Centre	Origin/Grade	21-Feb-13	20-Feb-13	Change
Baghpat	M-30	3220	3215	5
Gajraula	M-30	3200	3195	5
BulandShahar	M-30	-	-	-
Anupshahar	M-30	3190	3180	10

Maharashtra Cooperative Mills Tender Prices

Centre	Origin/Grade	20-Feb-13
CHOPDA	S.JK-S.JB	3210.00-3230.00
	M.JK	3310.00 OPEN
INDAPUR	S.PP	3088
	M.PP	3163

LOKNETE	S.PP	3063
	S.JK	3073
BHIMA TAKLI	S.PP	3105.00-3115.00
	M.JB	3210.00-3225.00
ASHOK	S.PP	3151
	M.PP	3300.00 OPEN
INDRESHWAR	S.PP	3108
ANURAJ	OLD S.JK	3128
VIGHNAHAR	S.JK	3140
	M.JB	3246
WARANA	S1.PP	3098.00 OPEN
	S2.PP	3093.00 OPEN

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