

Sugar & Gur Domestic & International Fundamentals

- Steady to weak sentiments recorded in key sugar spot markets on Friday.
- Government has decided not to increase sugar import duty on both raw as well as white sugar for now. This news gives sellers a chance to made new short positions in NCDEX sugar futures
- 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 improved in Muzaffar nagar spot market today. Lower arrivals are the major factor which takes the prices upwards.
- 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:

Government decision not to increase sugar import duty increase the selling activities in the sugar markets. We expect prices are likely to fall from present level in the coming days.

NCDEX Sugar Future Quotes:

Contract	+/-	Open	High	Low	Close
Mar-13	-52	3143	3154	3085	3088
Apr-13	-52	3197	3205	3139	3145
May-13	-50	3252	3259	3190	3205

Contract	Volume	Change	OI	Change
Mar-13	21350	15810	30780	4110
Apr-13	11570	7770	24150	600
May-13	3000	2670	6330	470

Spread	Mar-13	Apr-13	May-13
Basis	87		
Mar-13		57	117
Apr-13			60

Stocks	Demat	In-Process	Total	FED
	21.02.13	21.02.13	21.02.13	18.02.13
Kolhapur M(New)	20057	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	498.5	501.2	495.8	498	-3.2
13-May	496.4	499.6	495	496.9	-2.4
13-Aug	496.7	499.1	494.4	496.5	-2.8

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
March-13	-8	1127	1127.5	1116.5	1119.5
July-13	-10.5	1310	1310	1296	1299
Sept-13	Unch	1344.5	1346	1336	1341

Contract	Volume	Change	OI	Change
March-13	4340	660	5950	10
July-13	4110	800	5720	-290
Sept-13	230	140	760	70

Spread	Mar-13	July-13	Sept-13
Basis	30.5		
Mar-13		179.5	221.5
July-13			42

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
13-Mar	18.3	18.33	18.02	18.12	-0.23
13-May	18.06	18.11	17.8	17.9	-0.23
13-Jul	18.15	18.19	17.96	18.07	-0.16

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	402.75	+2.5
Raw Sugar C&F (\$/MT)	Black Sea	433.75	+2.5
Sugar White FOB (\$/MT)	Santos Port	481.75	+3.5

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
		22-Feb-13	21-Feb-13	
Sugar	Delhi - Grade M	3400	3400	Unch
	Delhi - Grade S	3335	3340	-5
	Delhi - Grade L	3420	3430	-10
	UP- Khatauli Grade M	3370	3370	Unch
	UP- Ramala Grade M	3290	3315	-25
	Mumbai –Grade M	3436	3436	Unch
	Mumbai –Grade S	3286	3246	40
	Kolhapur – Grade M	3175	3175	Unch
	Kolhapur – Grade S	3075	3075	Unch
	Vijayawada – Grade M	3600	3600	Unch
	Vijayawada- Grade S	3500	3500	Unch
	Nagpur – Grade S	3440	3450	-10
	Kolkata – Grade M	3500	3500	Unch
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3201	3201	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	3160	3160	Unch
	Chennai - Grade S	3040	3040	Unch

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

Gur Spot Prices (Rs/Qtl)

		22-Feb-13	21-Feb-13	
Muzaffar Nagar	Chaku New	2825	2775	50
	Arrival(Chaku New)	700	700	Unch
	Khurpa	2650	2588	62
	Laddu	2725	2688	37
	Rascut	2450	2450	Unch
Maharashtra	Lal Variety	2850	2850	Unch
Maharashtra	Kolhapur	3300	3200	100
Bangalore	Achhu	3000	3000	Unch
	Mudde	3300	3300	Unch

Belgaum	Mudde	3000	3000	Unch
Belthangadi	Yellow (Average)	3300	3300	Unch
Bijapur	Achhu	2690	2670	20
Gulbarga	Other (Average)	2900	2875	25
Mahalingapura	Penti (Average)	2960	-	-
Mandya	Achhu (Medium)	2600	-	-
	Kurikatu (Medium)	2300	-	-
	Other (Medium)	2400	-	-
	Yellow (Medium)	2500	-	-
Shimoga	Achhu (Average)	-	2775	-

UP Private Mills Tender Rates

Centre	Origin/Grade	22-Feb-13	21-Feb-13	Change
Dorala	M-30	3310	3310	Unch
Mawana	M-30	3330	3330	Unch
Modinagar	M-30	3290	3290	Unch
Malakpur	M-30	3265	3265	Unch
Simbholi	M-30	3390	3390	Unch
Asamoli	M-30	3345	3345	Unch
Dhanora	M-30	3295	3295	Unch
Dhampur	M-30	3275	3275	Unch
Kinnoni	M-31	3405	3405	Unch
Budhana	M-31	3295	3295	Unch
Thanabhavan	M-31	3290	3290	Unch

UP Government Mills Tender Rates

Centre	Origin/Grade	22-Feb-13	21-Feb-13	Change
Morna	M-30	3210	3210	Unch
Nanotha	M-30	3200	3200	Unch
Nazibabad	M-30	3195	3195	Unch
Sakoti	M-30	3245	3245	Unch
Amroha	M-30	-	-	-
Chandpur	M-31	-	-	-

UP Cooperative Mills Tender Rates

Centre	Origin/Grade	22-Feb-13	21-Feb-13	Change
Baghpat	M-30	3220	3220	Unch
Gajraula	M-30	3200	3200	Unch
BulandShahar	M-30	-	-	-
Anupshahar	M-30	3190	3190	Unch

Maharashtra Cooperative Mills Tender Prices

Centre	Origin/Grade	21-Feb-13
PRAVARA	S.PP	3121.00-3123.00
	M.JK	3267.00-3275.00
KUKADI	S1.PP	3150
	M.PP	3210

VRIDESHWAR	S.PP	3111
	S1.PP	3171
MULA	OLD S1.PP	3150
	M.PP	3288
WARANA	S1.PP	3108.00 OPEN
	S2.PP	3103
D.Y. PATIL	S1.PP	3093
	M.PP	3193

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