

Sugar & Gur Domestic & International Fundamentals

- Sugar prices shows some strength after long time in key spot markets on Saturday. Mills are quoting higher sugar prices in their new tenders. New sugar quota starts from 1st April 2013 as reported.
- Millers got freedom to sell sugar in the open market without any monthly restrictions. This is a positive step from government and would give some respite to the millers which are struggling with downfall of sugar prices. Presently, sugar millers are selling sugar below cost of production as reported.
- Maharashtra likely to produce 4 million tons of sugar in 2013-14 owing to lack of rainfall in the region, according to Maharashtra state government officials. However, there is sufficient water in southern Maharashtra region like Kolhapur, Satara for sugarcane planting, according to our initial reports. However, sugarcane acreage likely to decrease in Maharashtra which has also verified by recent government sowing figures which is only 6% less compared to last year. Also, there is higher ratoon crop of sugarcane this year which is going to be harvest in the next year which gives comparatively lesser yield as well as recovery than plant cane crop.
- ED&F Man sees 23.5 million tons of sugar production for 2013-14 marketing year. It also sees Indian sugar import to 1.4 million tons in 2012-13 with 1.1 million tons of sugar already landed in India till date.
- owing to lower arrivals due to heavy rainfall and hailstorm in the region.
- Total around 764000 bags of gur (40kg each) stored in cold storages till 25th March 2013 which are 436000 bags (40kg each) lower compared to last year same period. Out of total 764000 bags of gur, around 405000 bags of Chaku gur, 134000 bags of Rascut, and 162000 bags of Papdi, stored in the cold storages as reported.

Upcoming event: Meeting over Sugar Decontrol Issue on 4th April 2013

Outlook:

Sugar prices continued its weakness in the market due to higher sugar quota for next 6 months, weak demand, falling international sugar prices and continuous raw sugar imports from Brazil. We expect prices should continue its weak tone in the coming days until any change in policy by government in the meeting which is going to held next week.

NCDEX Sugar Future Quotes:

Contract	+/-	Open	High	Low	Close
Apr-13	35	2896	2935	2890	2928
May-13	38	2950	2988	2950	2982
June-13	54	3020	3060	3011	3059

Contract	Volume	Change	OI	Change
Apr-13	9450	580	27570	-1460
May-13	11430	-790	29090	970
June-13	4330	-1830	11890	1000

Spread	Apr-13	May-13	June-13
Basis	97		
Apr-13		54	131
May-13			77

Stocks	Demat	In-Process	Total	FED
	28.03.13	28.03.13	28.03.13	25.03.13
Kolhapur M(New)	10796	0	10796	11646
Kolhapur S(New)	2901	0	2901	3548
Sangli S	4481	0	4481	4481

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
13-May					
13-Aug					
13-Oct					

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
July-13	1.5	1306	1310	1302	1307.5
Sept-13	0.5	1365	1368	1359	1365
Nov-13	-6	1224	1224	1224	1224

Contract	Volume	Change	OI	Change
July-13	4430	-2620	11290	-170
Sept-13	890	-560	2550	70
Nov-13	10	0	120	10

Spread	July-13	Sept-13	Nov-13
Basis	-207.5		
July-13		57.5	-83.5
Sept-13			-141

Gur Stock Position	Chaku	Raskut	Papdi	Total
2013	405000	134000	162000	764000
2012	787000	189000	183000	1200000

*Stock Positions stored in Warehouses are till 25th Mar 2013 (All figures in Bags 40 kg each)

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
13-May					
13-Jul					
13-Oct					

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	395.25	
Raw Sugar C&F (\$/MT)	Black Sea	429.25	
Sugar White FOB (\$/MT)	Santos Port	501.00	

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
May'13/May'13	115	
Aug'13/July'13	104.25	
Oct'13/Oct'13	93.75	

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Contract	Close	+/-
Brazil Domestic Sugar	18.83	
Brazil Anhydrous	20.63	
Brazil Hydrous	19.93	

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		30-Mar-13	29-Mar-13	
Sugar	Delhi - Grade M	3280	3260	20
	Delhi - Grade S	3230	3210	20
	Delhi - Grade L	3280	3270	10
	UP- Khatauli Grade M	3260	3240	20
	UP- Ramala Grade M	3215	3200	15
	UP- Dhampur Grade M Ex-Mill	3190	3190	Unch
	UP- Dhampur Grade S Ex-Mill	3170	3170	Unch
	UP- Dhampur Grade L Ex-Mill	3240	3240	Unch
	Mumbai –Grade M	3291	3291	Unch
	Mumbai –Grade S	3106	3112	-6
	Kolhapur – Grade M	3025	3000	25
	Kolhapur – Grade S	2925	2900	25
	Vijayawada – Grade M	3480	3480	Unch
	Vijayawada- Grade S	3380	3380	Unch
	Nagpur – Grade S	3220	3220	Unch
	Kolkata – Grade M	-	-	-
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	-	-	-
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	3115	3115	Unch
	Chennai - Grade S	2950	2960	-10

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

Gur Spot Prices (Rs/Qtl)

		30-Mar-13	29-Mar-13	
Muzaffar Nagar	Chaku New	2763	2760	3
	Chaku New(Arrival)	9000	12000	-3000
	Khurpa	2600	2588	12
	Laddu	2713	2713	Unch
	Rascut	2553	2563	-10
Ahmedabad (Gujarat)	Lal Variety (Latur gur)	3100	3150	-50
Kolhapur (Maharashtra)	Kolhapuri Gur	-	-	-

Bangalore	Achhu	3000	-	-
	Mudde	3200	-	-
Belgaum	Mudde	3200	-	-
Belthangadi	Yellow (Average)	3100	-	-
Bijapur	Achhu	2900	-	-
Gulbarga	Other (Average)	2900	-	-
Mahalingapura	Penti (Average)	-	-	-
Mandya	Achhu (Medium)	2850	-	-
	Kurikatu (Medium)	2400	-	-
	Other (Medium)	2450	-	-
	Yellow (Medium)	2750	-	-
Shimoga	Achhu (Average)	3325	-	-

UP Private Mills Tender Rates				
Centre	Origin/Grade	30-Mar-13	29-Mar-13	Change
Dorala	M-30	3145	Closed	-
Mawana	M-30	3140	Closed	-
Modinagar	M-30	3150	Closed	-
Malakpur	M-30	3140	Closed	-
Simbholi	M-30	3100	Closed	-
Asamoli	M-30	3210	Closed	-
Dhanora	M-30	3205	Closed	-
Dhampur	M-30	3140	Closed	-
Kinnoni	M-31	3140	Closed	-
Budhana	M-31	3250	Closed	-
Thanabhavan	M-31	3150	Closed	-

UP Government Mills Tender Rates				
Centre	Origin/Grade	30-Mar-13	29-Mar-13	Change
Morna	M-30	3105	Closed	-
Nanotha	M-30	3100	Closed	-
Nazibabad	M-30	3100	Closed	-
Sakoti	M-30	3115	Closed	-
Amroha	M-30	-	-	-
Chandpur	M-31	-	-	-

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	30-Mar-13	29-Mar-13	Change
Baghpat	M-30	3115	Closed	-
Gajraula	M-30	3100	Closed	-
BulandShahar	M-30	3125	Closed	-
Anupshahar	M-30	3090	Closed	-

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	29-Mar-13
RAHURI	S1.PP	2965.00-2970.00
	M.PP	3020.00-3025.00
KRISHNA	S1.PP-S2.PP	2913.00-2903.00

	M.PP	3003.00 OPEN
RAYAT	S1.JB	3025.00 OPEN
	M.JB	3125.00 OPEN
WARANA	S1.PP	2938.00 OPEN
	S2.PP	2928.00 OPEN

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