

Sugar & Gur Domestic & International Fundamentals

- By eliminating the requirement for private sugar mills to sell a specified amount of sugar to the government at concessional rates, the Cabinet Committee on Economic Affairs (CCEA) cleared fractional decontrol of sugar.
- Brazil has exported 1.981 million tons of sugar in March 2013 which is up by almost double. Higher sugar production than consumption and smooth movement of sugar at ports led the sugar exports increase from Brazilian ports. Brazil has exported only 27.20 million tons of sugar this year till March which was 25.11 million tons, raw value, last year same period.
- Meanwhile, Indian sugar millers produce around 23 million tons of sugar till 31st March 2013.
- Cuban raw sugar production is 17% behind schedule toward a target of 1.7 million tonnes, official media said over the weekend, putting in doubt hopes to increase output 20% over the previous season.
- Gur prices traded steady today despite of higher arrivals in Muzaffar nagar spot market compared to prior day.
- Lower stock position of gur stored in the cold storages support the gur prices overall. In addition to it, lower cane production in Maharashtra also lowered down the gur production which also gives some rally to the gur prices in the coming weeks.
- Total around 876000 bags of gur (40kg each) stored in cold storages till 1st April 2013 lower from 1289000 bags of gur at last year same period (40kg each). Out of total 876000 bags of gur, around 487000 bags of Chaku gur, 142000 bags of Raskut, and 185000 bags of Papdi, stored in the cold storages as reported.

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	-25	2958	2970	2920	2921
May-13	-15	3021	3059	2990	2993
June-13	-15	3051	3118	3050	3056

Contract	Volume	Change	OI	Change
Apr-13	15090	2570	10920	-3580
May-13	41200	18030	47010	10260
June-13	11600	4610	15960	5140

Spread	Apr-13	May-13	June-13
Basis	359		
Apr-13		-72	-63
May-13			57

Stocks	Demat	In-Process	Total	FED
	04.04.13	04.04.13	04.04.13	01.04.13
Kolhapur M	10597	1300	11897	10796
Kolhapur S	2901	0	2901	2901
Sangli M	4481	451	4932	4481

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
13-May	506.4	508.6	502.5	504.4	-0.5
13-Aug	493.1	494.5	487.8	489.9	-2.1
13-Oct	492.8	493.9	488.8	490.6	-0.6

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
July-13	-4.0	1334	1338	1327	1328
Sept-13	-4.50	1394	1394	1383	1386
Nov-13	-	-	-	-	-

Contract	Volume	Change	OI	Change
July-13	6320	-670	11490	670
Sept-13	2620	1070	4100	420
Nov-13	-	-	140	0

Spread	July-13	Sept-13	Nov-13
Basis	-178.5		
July-13		56.5	-101
Sept-13			-157.5

Gur Stock Position	Chaku	Raskut	Papdi	Total
	2013	2012	2013	2012
	487000	850000	142000	980000
	142000	185000	169000	1289000

*Stock Positions stored in Warehouses are till 1st Apr 2013 (All figures in Bags 40 kg each)

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
13-May	17.54	17.74	17.5	17.67	0.17
13-Jul	17.59	17.74	17.59	17.69	0.11
13-Oct	18.06	18.15	18	18.06	0.05

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	390.50	-2.25
Raw Sugar C&F (\$/MT)	Black Sea	424.50	-2.25
Sugar White FOB (\$/MT)	Santos Port	503.25	-2.50

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
May'13/May'13	114.75	
Aug'13/July'13	105.75	
Oct'13/Oct'13	95.75	

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Contract	Close	+/-
Brazil Domestic Sugar	18.87	
Brazil Anhydrous	20.55	
Brazil Hydrous	19.83	

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		5-Apr-13	4-Apr-13	
Sugar	Delhi - Grade M	3340	3325	15
	Delhi - Grade S	3330	3260	70
	Delhi - Grade L	3385	3325	60
	UP- Khatauli Grade M	3325	3275	50
	UP- Ramala Grade M	3230	3210	20
	UP- Dhampur Grade M Ex-Mill	3200	3200	Unch
	UP- Dhampur Grade S Ex-Mill	3180	3180	Unch
	UP- Dhampur Grade L Ex-Mill	3250	3250	Unch
	Mumbai –Grade M	Closed	Closed	-
	Mumbai –Grade S	Closed	Closed	-
	Kolhapur – Grade M	3050	3025	25
	Kolhapur – Grade S	2950	2925	25
	Vijayawada – Grade M	3550	3530	20
	Vijayawada- Grade S	3450	3430	20
	Nagpur – Grade S	Closed	Closed	-
	Kolkata – Grade M	3280	3280	-
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	-	-	-
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	-	-	-
	Chennai - Grade S	3125	3075	50

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

Gur Spot Prices (Rs/Qtl)				
		5-Apr-13	4-Apr-13	
Muzaffar Nagar	Chaku	2975	2875	100
	Chaku New(Arrival)	8000	15000	-7000
	Khurpa	2725	2675	50
	Laddu	2925	2850	75
	Rascut	2650	2625	25
Maharashtra	Lal Variety	3200	3150	50

	Kolhapur	-	-	-
Bangalore	Achhu	3100	3100	Unch
	Mudde	3300	3300	Unch
Belgaum	Mudde	-	3000	-
Belthangadi	Yellow (Average)	3000	3100	-100
Bijapur	Achhu	3100	3100	Unch
Gulbarga	Other (Average)	2925	2900	25
Mahalingapura	Penti (Average)	2980	2960	20
Mandya	Achhu (Medium)	2950	2950	Unch
	Kurikatu (Medium)	2750	2400	350
	Other (Medium)	2650	2500	150
	Yellow (Medium)	2800	2750	50
Shimoga	Achhu (Average)	3575	3425	150

UP Private Mills Tender Rates				
Centre	Origin/Grade	5-Apr-13	4-Apr-13	Change
Dorala	M-30	3260	3240	20
Mawana	M-30	3270	3250	20
Khatauli	M-30	3260	3240	20
Modinagar	M-30	3230	3210	20
Malakpur	M-30	3220	3200	20
Simbholi	M-30	3290	3270	20
Asamoli	M-30	3280	3260	20
Dhanora	M-30	3250	3230	20
Dhampur	M-30	3240	3220	20
Kinnoni	M-31	3330	3310	20
Budhana	M-31	3255	3235	20
Thanabhavan	M-31	3255	3235	20
UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	5-Apr-13	4-Apr-13	Change
Baghpat	M-30	3185	3165	20
Gajraula	M-30	3165	3145	20
BulandShahar	M-30	3210	3190	20
Anupshahar	M-30	3150	3130	20
UP Government Mills Tender Rates				
Centre	Origin/Grade	5-Apr-13	4-Apr-13	Change
Morna	M-30	3175	3155	20
Nanotha	M-30	3170	3150	20
Nazibabad	M-30	3160	3140	20
Sakoti	M-30	3190	3170	20

Amroha	M-30	3200	3180	-
Chandpur	M-31	3190	3170	-

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	4-Apr-13
JAYWANT	M.PP	3033
SHREEPUR	S.PP-S1.PP	2965.00-2995.00
	M.PP	3095
AKLUJ	S.PP-S1.PP	2934.00-2963.00
	M.JB	3083
SHANKESHWAR	S1.P	2958
MADHA	S.PP	2913
GHODGANGA	S.PP	2960
	M.PP	3030
RAHURI	S1.PP	3006.00-3011.00
	M.PP	3080.00-3090.00

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