

Sugar & Gur Domestic & International Fundamentals

- The Regulated Release Mechanism of sugar by will be allotting with straight away. The decision will provide timely payment of cane price to farmers. However, PDS consumers will continue to get sugar at the existing rates.
- Obligation to supply sugar as levy on mills at a control rate for Public Distribution System will be done away with for sugar produced after September, 2012 and the requirement of sugar for PDS will be procured by the states through open market.
- Present sugar quota of the states will be protected and the States will be mandated to continue with the current retail issue price of Rs. 13.50 per Kg. under PDS. The states will be given subsidy for the balance amount between retail issue price and the current ex-mill price calculated provisionally @ Rs. 32/- per Kg.
- 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.
- 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 shows mixed tone 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 Rascut, 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	-23	2900	2930	2841	2901
May-13	-38	2986	2986	2952	2958
June-13	-41	3043	3047	3014	3017

Contract	Volume	Change	OI	Change
Apr-13	1750	-13340	9680	-1240
May-13	18450	-22750	49670	2660
June-13	9000	-2600	17530	1570

Spread	Apr-13	May-13	June-13
Basis	319		
Apr-13		-57	-59
May-13			57

Stocks	Demat	In-Process	Total	FED
	05.04.13	05.04.13	05.04.13	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	502.7	506.6	502.4	504.5	0.1
13-Aug	488.3	491.6	488.1	489.9	unch
13-Oct	489.1	492.1	489.1	490.2	-0.4

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
July-13	-5.0	1325	1326.5	1321	1323.5
Sept-13	-4.0	1386.5	1386.5	1379	1383
Nov-13	-	-	-	-	-

Contract	Volume	Change	OI	Change
July-13	3580	-2740	11700	210
Sept-13	1150	-1470	4320	220
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	169000	185000	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	17.67	17.76	17.61	17.65	-0.02
13-Jul	17.69	17.74	17.61	17.67	-0.02
13-Oct	18.06	18.12	17.98	18.06	unch

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
		6-Apr-13	5-Apr-13	
Sugar	Delhi - Grade M	3330	3340	-10
	Delhi - Grade S	3320	3330	-10
	Delhi - Grade L	3375	3385	-10
	UP- Khatauli Grade M	3370	3325	45
	UP- Ramala Grade M	3300	3230	70
	UP- Dhampur Grade M Ex-Mill	3220	3200	20
	UP- Dhampur Grade S Ex-Mill	3200	3180	20
	UP- Dhampur Grade L Ex-Mill	3270	3250	20
	Mumbai –Grade M	Closed	Closed	-
	Mumbai –Grade S	Closed	Closed	-
	Kolhapur – Grade M	3020	3050	-30
	Kolhapur – Grade S	2920	2950	-30
	Vijayawada – Grade M	3550	3550	Unch
	Vijayawada- Grade S	3450	3450	Unch
	Nagpur – Grade S	Closed	Closed	-
	Kolkata – Grade M	3320	3280	40
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	-	-	-
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	-	-	-
	Chennai - Grade S	3125	3125	Unch

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

Gur Spot Prices (Rs/Qtl)				
		6-Apr-13	5-Apr-13	
Muzaffar Nagar	Chaku	2875	2975	-100
	Chaku New(Arrival)	25000	8000	17000
	Khurpa	2750	2725	25
	Laddu	2900	2925	-25
	Rascut	2600	2650	-50
Maharashtra	Lal Variety	3200	3200	Unch

	Kolhapur	-	-	-
Bangalore	Achhu	3100	3100	Unch
	Mudde	3300	3300	Unch
Belgaum	Mudde	-	3000	-
Belthangadi	Yellow (Average)	-	3000	-
Bijapur	Achhu	3000	3100	-100
Gulbarga	Other (Average)	2950	2925	25
Mahalingapura	Penti (Average)	-	2980	-
Mandya	Achhu (Medium)	2950	2950	Unch
	Kurikatu (Medium)	2750	2750	Unch
	Other (Medium)	2850	2650	200
	Yellow (Medium)	2900	2800	100
Shimoga	Achhu (Average)	-	3575	-

UP Private Mills Tender Rates				
Centre	Origin/Grade	6-Apr-13	5-Apr-13	Change
Dorala	M-30	3260	3260	Unch
Mawana	M-30	3270	3270	Unch
Khatauli	M-30	3260	3260	Unch
Modinagar	M-30	3230	3230	Unch
Malakpur	M-30	3220	3220	Unch
Simbholi	M-30	3290	3290	Unch
Asamoli	M-30	3280	3280	Unch
Dhanora	M-30	3250	3250	Unch
Dhampur	M-30	3240	3240	Unch
Kinnoni	M-31	3330	3330	Unch
Budhana	M-31	3255	3255	Unch
Thanabhavan	M-31	3255	3255	Unch
UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	6-Apr-13	5-Apr-13	Change
Baghpat	M-30	3185	3185	Unch
Gajraula	M-30	3165	3165	Unch
BulandShahar	M-30	3210	3210	Unch
Anupshahar	M-30	3150	3150	Unch
UP Government Mills Tender Rates				
Centre	Origin/Grade	6-Apr-13	5-Apr-13	Change
Morna	M-30	3175	3175	Unch
Nanotha	M-30	3170	3170	Unch
Nazibabad	M-30	3160	3160	Unch
Sakoti	M-30	3190	3190	Unch

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

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	5-Apr-13
SIDDHESHWAR	S.PP	2998.00 OPEN
	OLD M.PP	2975.00 OPEN
SHIVSHAKTI	S1.PP	3038
	M.PP	3123
CHIKODI	S1.PP	3023
	M.PP	3113
SHANKESHWAR	S1.PP	3018.00 OPEN
BIDRI	S1.PP-S2.PP	2980.00-2970.00
	M.PP	3068
BHOGAWATI	M.PP	3148
	M.PP	3158.00 OPEN
WARANA	S1.PP	2983.00 OPEN
	S2.PP	2973.00 OPEN
DATT SHIROL	S1.PP	3000.00-3003.00
	M.PP	3103.00 OPEN
SAHYADRI	S1.PP	2973.00-2983.00
	M.PP	3063.00-3073.00

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