

Sugar & Gur Domestic & International Fundamentals

- Prices of sugar continuously moving downwards considering increasing sugar selling by mills in the market.
- China produced 2.70 million tons of sugar in March 2013 which is up by 19% compared to 2.27 million tons sugar produced last year same period.
- Around 10-12% decline in sugarcane acreage in Solapur district Maharashtra compared to last year owing to lower rainfall in the region. Some other areas like Satara and Kolhapur also affected with this drought like conditions. Millers are expecting rainfall in June to July period, if early rainfall occurred then it would help the cane yield for 2013-14 season.
- Iraq is willing to import 50000 tons of white sugar via international tender. Tender deadline is Apr 22nd and offers must remain valid till 26th Apr 2013. However, Iraq has mentioned that it would buy sugar from any sourcing countries except India and Thailand, according to news agencies.
- Russia, Belarus and Kazakhstan has increase the sugar import duty tariff to \$205 from \$140 per ton. The hike in sugar import duty would valid from 1st May 2013. These three countries has increase the import duty after considering increase in sugar prices in International arena.
- Gur prices declined today despite of lower 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 1057000 bags of gur (40kg each) stored in cold storages till 15th April 2013 lower from 1396000 bags of gur at last year same period (40kg each). Out of total 1057000 bags of gur, around 611000 bags of Chaku gur, 118000 bags of Raskut, and 194000 bags of Papdi, stored in the cold storages as reported.

Outlook:

Sugar prices got some upward correction amid good summer demand. Millers are now quoting higher prices. In addition to it, less government regulation on sugar sector would support the market sentiments in the coming week as expected.

NCDEX Sugar Future Quotes:

Contract	+/-	Open	High	Low	Close
Apr-13	21	2920	2938	2890	2930
May-13	16	2935	2960	2922	2954
June-13	12	2996	3024	2985	3015

Contract	Volume	Change	OI	Change
Apr-13	430	-320	1720	-1280
May-13	15390	5050	43340	-2220
June-13	9110	3320	21150	410

Spread	Apr-13	May-13	June-13
Basis	95		
Apr-13		24	85
May-13			61

Stocks	Demat	In-Process	Total	FED
	16.4.13	16.4.13	16.4.13	15.4.13
Kolhapur M	13800	0	13800	13831
Kolhapur S	-	-	-	-
Sangli M	4736	0	4736	4736

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
13-Aug	499.70	507.00	498.60	505.60	8.30
13-Oct	492.80	500.30	491.70	499.10	8.70
13-Dec	499.60	505.50	498.50	504.90	7.60

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
July-13	4.5	1280	1289.5	1262	1283.5
Sept-13	6	1330	1340.5	1309	1335
Nov-13	-7.5	1200	1210	1182	1195

Contract	Volume	Change	OI	Change
July-13	10770	-970	10430	-850
Sept-13	3700	300	4210	-780
Nov-13	110	-110	180	50

Spread	July-13	Sept-13	Nov-13
Basis	-143.5		
July-13		51.5	-88.5
Sept-13			-140

Gur Stock Position	Chaku	Raskut	Papdi	Total
2013	611000	118000	194000	1057000
2012	932000	156000	188000	1396000

*Stock Positions stored in Warehouses are till 15th Apr 2013 (All figures in Bags 40 kg each)

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
13-May	17.77	18.02	17.74	18.01	0.22
13-Jul	17.55	17.88	17.54	17.87	0.32
13-Oct	18.08	18.20	17.90	18.20	0.27

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	399.25	+1.00
Raw Sugar C&F (\$/MT)	Black Sea	433.25	+1.00
Sugar White FOB (\$/MT)	Santos Port	509.75	+1.00

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
May'13/May'13	111.75	-3.25
Aug'13/July'13	98	-2.25
Oct'13/Oct'13	103.5	11.5

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Contract	Close	+/-
Brazil Domestic Sugar	19.57	0.61
Brazil Anhydrous	21.01	0.15
Brazil Hydrous	21.32	1.01

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		17-Apr-13	16-Apr-13	
Sugar	Delhi - Grade M	3340	3340	Unch
	Delhi - Grade S	3220	3250	-30
	Delhi - Grade L	3340	3340	Unch
	UP- Khatauli Grade M	3305	3315	-10
	UP- Ramala Grade M	3230	3280	-50
	UP- Dhampur Grade M Ex-Mill	3225	3225	Unch
	UP- Dhampur Grade S Ex-Mill	3205	3205	Unch
	UP- Dhampur Grade L Ex-Mill	3275	3275	Unch
	Mumbai –Grade M	3336	3312	24
	Mumbai –Grade S	3126	3136	-10
	Kolhapur – Grade M	3025	3050	-25
	Kolhapur – Grade S	2925	2950	-25
	Vijayawada – Grade M	3550	3550	Unch
	Vijayawada- Grade S	3450	3450	Unch
	Nagpur – Grade S	3240	3250	-10
	Kolkata – Grade M	-	-	-
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	-	-	-
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	-	-	-
	Chennai - Grade S	3025	3025	Unch

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

Gur Spot Prices (Rs/Qtl)				
		17-Apr-13	16-Apr-13	
Muzaffar Nagar	Chaku	2850	3050	-200
	Chaku New(Arrival)	5000	9000	-4000
	Khurpa	2675	2763	-88
	Laddu	2725	3000	-275
	Rascut	2725	2725	Unch
Maharashtra	Lal Variety	3075	3150	-75
	Kolhapur	-	-	-
Bangalore	Achhu	3000	3000	Unch
	Mudde	3200	3200	Unch

Belgaum	Mudde	3000	-	-
Belthangadi	Yellow (Average)	3000	3000	Unch
Bijapur	Achhu	-	3000	-
Gulbarga	Other (Average)	3000	3000	Unch
Mahalingapura	Penti (Average)	3060	3040	20
Mandya	Achhu (Medium)	3000	2950	50
	Kurikatu (Medium)	2600	2450	150
	Other (Medium)	2600	2550	50
	Yellow (Medium)	2900	2750	150
Shimoga	Achhu (Average)	3525	3675	-150

UP Private Mills Tender Rates				
Centre	Origin/Grade	17-Apr-13	16-Apr-13	Change
Dorala	M-30	3235	3235	Unch
Mawana	M-30	3240	3240	Unch
Khatauli	M-30	3220	3220	Unch
Modinagar	M-30	3210	3210	Unch
Malakpur	M-30	3195	3195	Unch
Simbholi	M-30	3390	3390	Unch
Asamoli	M-30	3260	3260	Unch
Dhanora	M-30	3220	3220	Unch
Dhampur	M-30	3190	3190	Unch
Kinnoni	M-31	3310	3310	Unch
Budhana	M-31	3240	3240	Unch
Thanabhavan	M-31	3235	3235	Unch
UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	17-Apr-13	16-Apr-13	Change
Baghpat	M-30	3185	3185	Unch
Gajraula	M-30	3170	3170	Unch
BulandShahar	M-30	3190	3190	Unch
Anupshahar	M-30	3150	3150	Unch
UP Government Mills Tender Rates				
Centre	Origin/Grade	17-Apr-13	16-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	3185	3185	Unch
Chandpur	M-31	3175	3175	Unch

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