

Sugar & Gur Domestic & International Fundamentals

- Steady sentiments witnessed in key sugar spot markets on Friday.
- Around 2 rakes business has been done of sugar from Maharashtra bound to Delhi at Rs 3150 per quintal as reported.
- India likely to become sugar exporter for 2013-14 marketing year starting from October 2013 due to sugar decontrol and higher sugar surplus which could drag the sugar prices down in domestic markets in Nov-March 2013-14 period. In opposite, prices of sugar in International markets likely to move up owing to higher cane diversion for making ethanol. Presently, International sugar prices tumbled down for the time being.
- Sellers from Pakistan are offering sugar at \$475 per ton to sugar buyers based in Punjab as reported. It is notable that Indian buyers find parity to import sugar from Pakistan at present quotes.
- UP sugar production likely to test 7.6 million tons in this crushing year 2012-13. Presently only 3 sugar mills are running their cane crushing operations in UP.
- Gur prices declined today in the Muzaffar nagar market despite of lower arrivals.
- Market is now seeing some downside in the gur prices owing to early closing of cane crushing operations by various sugar mills which led the cane diverted towards jaggery production as reported.
- Total around 1171000 bags of gur (40kg each) stored in cold storages till 29th April 2013 lower from 1418000 bags of gur at last year same period (40kg each). Out of total 1171000 bags of gur, around 698000 bags of Chaku gur, 132000 bags of Rascut, and 177000 bags of Papdi, stored in the cold storages as reported.

Outlook:

Sugar prices are ruling in a downward trend. Major influencing factors are sugar selling by millers in the open market, sugar imports, and overall weak international sentiments due to global sugar surplus. However, prices should move up in the coming days keeping in view close of crushing by millers and increasing summer sugar demand.

NCDEX Sugar Future Quotes:

Contract	+/-	Open	High	Low	Close
May-13	-10	3005	3043	3005	3007
June-13	-19	3033	3044	3005	3011
July-13	-28	3083	3086	3040	3044

Contract	Volume	Change	OI	Change
May-13	640	-7470	5390	-790
June-13	17260	-15700	32930	-2910
July-13	11020	-7420	19580	2400

Spread	May-13	June-13	July-13
Basis			
May-13			
June-13			

Stocks	Demat	In-Process	Total	FED
	09.5.13	09.5.13	09.5.13	06.5.13
Kolhapur M	5745	0	5745	6664
Kolhapur S	-	-	-	-
Sangli M	3052	0	3052	3542

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
13-Aug	486.1	489.7	483.6	486.2	-1
13-Oct	487.9	492.6	486.5	489.6	0.4
13-Dec	496.2	500.4	495	498.1	1.1

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
July-13	-9.5	1282	1286	1270.5	1271.5
Sept-13	-9	1343	1343	1323	1323
Nov-13	-4	1208.5	1208.5	1200	1200.5

Contract	Volume	Change	OI	Change
July-13	6380	-3530	13040	-140
Sept-13	1090	-790	4130	-20
Nov-13	90	-70	180	-10

Spread	July-13	Sept-13	Nov-13
Basis	-21.5		
July-13		51.5	-71
Sept-13			-122.5

Gur Stock Position	Chaku	Raskut	Papdi	Total
2013	698000	132000	177000	1171000
2012	948000	162000	187000	1418000

*Stock Positions stored in Warehouses are till 29th Apr 2013 (All figures in Bags 40 kg each)

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
13-Jul	17.43	17.64	17.38	17.47	Unch
13-Oct	17.81	17.99	17.75	17.84	0.01
14-Mar	18.7	18.9	18.66	18.77	0.04

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	391.00	+2.00
Raw Sugar C&F (\$/MT)	Black Sea	427.00	+2.00
Sugar White FOB (\$/MT)	Santos Port	503.00	Unch

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Aug'13/July'13	113.00	
Oct'13/Oct'13	101.25	
Dec'13/Oct'13	106.50	

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Contract	Close	+/-
Brazil Domestic Sugar	19.89	
Brazil Anhydrous	21.18	
Brazil Hydrous	19.61	

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		10-May-13	9-May-13	
Sugar	Delhi - Grade M	3280	3270	10
	Delhi - Grade S	3210	3200	10
	Delhi - Grade L	3320	3305	15
	UP- Khatauli Grade M	3240	3235	5
	UP- Ramala Grade M	3200	3200	Unch
	UP- Dhampur Grade M Ex-Mill	3120	3120	Unch
	UP- Dhampur Grade S Ex-Mill	3100	3100	Unch
	UP- Dhampur Grade L Ex-Mill	3170	3170	Unch
	Mumbai –Grade M	Closed	Closed	-
	Mumbai –Grade S	Closed	Closed	-
	Kolhapur – Grade M	3050	Closed	-
	Kolhapur – Grade S	2950	Closed	-
	Vijayawada – Grade M	3500	3500	Unch
	Vijayawada- Grade S	3400	3400	Unch
	Nagpur – Grade S	Closed	Closed	-
	Kolkata – Grade M	3320	3320	Unch
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	-	-	-
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	-	-	-
	Chennai - Grade S	3060	3050	10

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

Gur Spot Prices (Rs/Qtl)				
		10-May-13	9-May-13	
Muzaffar Nagar	Chaku	3125	3138	-13
	Chaku New(Arrival)	2500	4000	-1500
	Khurpa	2925	2750	175
	Laddu	3063	3000	63
	Rascut	2813	2825	-12
Maharashtra	Lal Variety	3075	3025	50
	Kolhapur	-	-	-

Bangalore	Achhu	3000	3000	Unch
	Mudde	3200	3200	Unch
Belgaum	Mudde	3100	3100	-
Belthangadi	Yellow (Average)	3400	3400	Unch
Bijapur	Achhu	3000	2950	50
Gulbarga	Other (Average)	3000	-	-
Mahalingapura	Penti (Average)	3080	-	-
Mandya	Achhu (Medium)	2900	2950	-50
	Kurikatu (Medium)	2500	2500	Unch
	Other (Medium)	2500	2500	Unch
	Yellow (Medium)	2850	2900	-50
Shimoga	Achhu (Average)	3500	3625	-125

UP Private Mills Tender Rates				
Centre	Origin/Grade	10-May-13	9-May-13	Change
Dorala	M-30	3160	3130	30
Mawana	M-30	3155	3125	30
Khatauli	M-30	3150	3130	20
Modinagar	M-30	3160	3125	35
Malakpur	M-30	3120	3100	20
Simbholi	M-30	3250	3230	20
Asamoli	M-30	3225	3215	10
Dhanora	M-30	3150	3130	20
Dhampur	M-30	3125	3110	15
Kinnoni	M-31	3255	3240	15
Budhana	M-31	3155	3140	15
Thanabhavan	M-31	3155	3140	15
UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	10-May-13	9-May-13	Change
Baghpat	M-30	3110	3110	Unch
Gajraula	M-30	3100	3100	Unch
BulandShahar	M-30	3115	3115	Unch
Anupshahar	M-30	3090	3090	Unch
UP Government Mills Tender Rates				
Centre	Origin/Grade	10-May-13	9-May-13	Change
Morna	M-30	3100	3100	Unch
Nanotha	M-30	3095	3095	Unch
Nazibabad	M-30	3090	3090	Unch
Sakoti	M-30	3110	3110	Unch
Amroha	M-30	3115	3115	Unch

Chandpur	M-31	3110	3110	Unch
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