

Sugar & Gur Domestic & International Fundamentals

- Sugar prices surged in key spot markets on Friday over rumors of increase in sugar import duty to 15% from existing 10% which offset the impact of excessive sugar supply from mills.
- Government has decided to increase the sugar import duty to 15% from 10% to curb further imports of sugar from overseas. It is notable that India has imported around 2 million tons of raw sugar from overseas especially from Brazil till June starting from Oct in 2012-13 marketing year.
- Maharashtra mills have quoted higher prices compared to prior day considering upcoming festive demand as well as export demand.
- UP millers, which are suffering from lower demand and lower prices and profitability, are now seeking some help from government to save sugar industry. It is notable that year on year increase in sugarcane prices increase the cost of production of sugar. In the meantime, prices of sugar crash like any thing in domestic arena thanks to lower demand as upcountry buyers are purchasing sugar from Maharashtra due to better parity.
- Western UP and Haryana might get rainfall in the coming week which would help the standing sugarcane crop.
- Gur prices showed a steady to weak on today in Muzaffar nagar spot markets

Outlook:

Sugar prices likely to move in a range with firm tone in the coming month. Expected sugar summer demand would drive the prices upwards. Any change in sugar policies by government like hike in sugar import duty would change the direction of the sugar prices in future.

NCDEX Sugar Future Quotes:

Contract	+/-	Open	High	Low	Close
July-13	-36.00	3005.00	3020.00	2965.00	2970.00
Aug-13	-17.00	3073.00	3085.00	3047.00	3051.00
Sept-13	-7.00	3122.00	3128.00	3095.00	3103.00

Contract	Volume	Change	OI	Change
June-13	12740	2940	5560	-3350
July-13	18660	1170	34330	3370
Aug-13	5500	1750	13560	220

Spread	July-13	Aug-13	Sept-13
Basis	110		
July-13		81	133
Aug-13			52

Stocks	Demat	In-Process	Total	FED
	04.07.13	04.07.13	04.07.13	01.07.13
Kolhapur M	7797	0	7797	7697
Kolhapur S	1156	0	1156	1156
Sangli M	1022	0	1022	1022
Delhi M	2448	100	2548	2448

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
13-Aug	497.50	499.5	495.0	497.4	1.8
13-Oct	478.50	478.8	475.7	476.4	-1.1
13-Dec	476.20	476.50	472.90	473.40	-2.20

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
July-13	-1.50	1195.50	1200.00	1193.00	1194.00
Sept-13	-1.00	1245.00	1251.00	1243.00	1244.00
Nov-13	-5.00	1170.00	1170.00	1164.00	1164.00

Contract	Volume	Change	OI	Change
July-13	2180	340	1830	-680
Sept-13	5140	2090	10000	370
Nov-13	30	-150	600	-10

Spread	July-13	Sept-13	Nov-13
Basis	-4		
July-13		50	-30
Sept-13			-80

Gur Stock Position	Chaku	Raskut	Papdi	Total
	2013	2012		
	751000	924000	133000	158000
	196000	168000		1364000

*Stock Positions stored in Warehouses are till 10th June 2013 (All figures in Bags 40 kg each)

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
13-Oct	16.54	16.6	16.41	16.42	-0.11
14-Mar	17.35	17.42	17.23	17.25	-0.15
14-May	17.34	17.39	17.19	17.22	-0.15

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	359.25	-1.50
Raw Sugar C&F (\$/MT)	Black Sea	396.25	-1.50
Sugar White FOB (\$/MT)	Santos Port	462.75	-1.25

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Aug'13/July'13	141	
Oct'13/Oct'13	108.75	
Dec'13/Oct'13	105	

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Contract	Close	+/-
Brazil Domestic Sugar	17.31	
Brazil Anhydrous	18.02	
Brazil Hydrous	16.92	

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		7/5/2013	7/4/2013	
Sugar	Delhi - Grade M	3230	3230	Unch
	Delhi - Grade S	3190	3190	Unch
	Delhi - Grade L	3290	3290	Unch
	UP- Khatauli Grade M	3215	3205	+10
	UP- Ramala Grade M	3160	3150	+10
	UP- Dhampur Grade M Ex-Mill	3080	3080	Unch
	UP- Dhampur Grade S Ex-Mill	3060	3060	Unch
	UP- Dhampur Grade L Ex-Mill	3130	3130	Unch
	Mumbai –Grade M	3291	3266	+25
	Mumbai –Grade S	3088	3082	+6
	Kolhapur – Grade M	3080	3075	+5
	Kolhapur – Grade S	2980	2975	+5
	Vijayawada – Grade M	3600	3600	Unch
	Vijayawada- Grade S	3450	3450	Unch
	Nagpur – Grade S	3200	3200	Unch
	Kolkata – Grade M	3300	3300	Unch
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3100	3100	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	3100	3100	Unch
	Chennai - Grade S	3100	3100	Unch

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

Gur Spot Prices (Rs/Qtl)				
		7/5/2013	7/4/2013	Change
Muzaffar Nagar	Chaku(Cold)	2975	3025	-50
	Chaku (Arrival)	-	-	-
	Khurpa(Cold)	2700	2900	-200
	Laddu	2900	3075	-175
	Rascut(Cold)	2700	2800	-100
Maharashtra	Lal Variety(Cold)	3275	3300	-25

	Kolhapur	-	-	-
Bangalore	Achhu	3000	3000	Unch
	Mudde	3200	3200	Unch
Belgaum	Mudde	2900	2900	Unch
Belthangadi	Yellow (Average)	2900	2900	Unch
Bijapur	Achhu	-	3150	-
Gulbarga	Other (Average)	2900	3000	-100
Mahalingapura	Penti (Average)	3160	3140	+20
Mandya	Achhu (Medium)	2850	2850	Unch
	Kurikatu (Medium)	2500	2500	Unch
	Other (Medium)	2500	2500	Unch
	Yellow (Medium)	2850	2800	+50
Shimoga	Achhu (Average)	3500	3600	-100

UP Private Mills Tender Rates

Centre	Origin/Grade	7/5/2013	7/4/2013	Change
Dorala	M-30	3125	3115	+10
Mawana	M-30	3115	3110	+5
Khatauli	M-30	3120	3105	+15
Modinagar	M-30	-	-	-
Malakpur	M-30	-	-	-
Simbholi	M-30	3185	3170	+15
Asamoli	M-30	3175	3165	+10
Dhanora	M-30	3130	3120	+10
Dhampur	M-30	3090	3080	+10
Kinnoni	M-31	3200	3185	+15
Budhana	M-31	3130	3100	+30
Thanabhavan	M-31	3125	3115	+10

UP Cooperative Mills Tender Rates

Centre	Origin/Grade	7/5/2013	7/4/2013	Change
Baghpat	M-30	3075	3065	+10
Gajraula	M-30	3060	3050	+10
BulandShahar	M-30	3090	3070	+20
Anupshahar	M-30	3060	3050	+10

UP Government Mills Tender Rates

Centre	Origin/Grade	7/5/2013	7/4/2013	Change
Morna	M-30	3065	3075	-10
Nanotha	M-30	3060	3050	+10
Nazibabad	M-30	3055	3055	Unch
Sakoti	M-30	3075	3060	+15

Amroha	M-30	3085	3075	+10
Chandpur	M-31	3085	3065	+20

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	4-Jul-13
AJARA	S1.PP-S2.PP	2958.00-2948.00
	M.PP	3058
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	M.PP	3058
AJINKEATARA	S1.PP	2960.00 OPEN
DATT SHIROL	S1.PP	2988.00-2989.00
	M.PP	3088.00-3089.00
JARANDESHWAR	S2.PP	2930.00 OPEN
	S1.PP	2945.00 OPEN
BIDRI	S1.PP	2968.00-2970.00
	M.PP	3068.00-3070.00

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