

Sugar & Gur Domestic & International Fundamentals

- Sugar prices steady in key spot markets on Saturday over rumors of increase in sugar import duty to 15% from existing 10% which offset the impact of excessive sugar supply from mills.
- Indian trade houses and refiners continue sugar import shipments from Brazil considering import parity despite of depreciation of Rupee. However, recent hike in sugar import duty from 10 percent to 15 percent might discourage the refiners due to disparity. In addition to it, increasing sugar prices in International arena from last couple of weeks dampen the sugar import possibilities as expected.
- India has imported 2.74 lac tons of raw sugar in June month mainly from Brazil which is lower from 3.06 lac tons of raw sugar imported (mainly from Brazil) in May 2013. Imported raw sugar mainly landed at Kolkata and Kandla port as reported
- 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.

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	16.00	3000.00	3000.00	2988.00	2988.00
Aug-13	13.00	3058.00	3070.00	3051.00	3065.00
Sept-13	8.00	3099.00	3112.00	3096.00	3110.00

Contract	Volume	Change	OI	Change
June-13	20	-12720	5550	-10
July-13	3,010	-15650	34460	130
Aug-13	530	-4970	13610	50

Spread	July-13	Aug-13	Sept-13
Basis	87		
July-13		-77	-45
Aug-13			52

Stocks	Demat 5.7.13	In-Process 5.7.13	Total 5.7.13	FED 01.07.13
Kolhapur M	7797	0	7797	7697
Kolhapur S	1156	0	1156	1156
Sangli M	1022	0	1022	1022
Delhi M	2548	0	2548	2448

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
13-Aug	497.2	501.6	495.4	496.1	-0.2
13-Oct	475.7	477.7	472	472.8	-2.3
13-Dec	472	474.8	470	470.4	-2.1

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
July-13	1.00	1195.00	1196.50	1190.00	1196.00
Sept-13	-4.50	1243.00	1244.00	1235.00	1240.50
Nov-13	-1.50	1165.00	1165.00	1160.00	1165.00

Contract	Volume	Change	OI	Change
July-13	370	2180	1830	0
Sept-13	2,970	5140	9820	-180
Nov-13	140	30	620	20

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

Gur Stock Position	Chaku	Raskut	Papdi	Total
2013	751000	133000	196000	1231000
2012	924000	158000	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	16.43	16.46	16.24	16.26	-0.16
14-Mar	17.32	17.32	17.06	17.09	-0.16
14-May	17.26	17.27	17.02	17.07	-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
		6-Jul-2013	5-Jul-2013	
Sugar	Delhi - Grade M	3225	3230	-5
	Delhi - Grade S	3190	3190	Unch
	Delhi - Grade L	3290	3290	Unch
	UP- Khatauli Grade M	3215	3215	Unch
	UP- Ramala Grade M	3150	3160	-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	3296	3291	5
	Mumbai –Grade S	3096	3088	8
	Kolhapur – Grade M	3075	3080	-5
	Kolhapur – Grade S	2975	2980	-5
	Vijayawada – Grade M	3600	3600	Unch
	Vijayawada- Grade S	3450	3450	Unch
	Nagpur – Grade S	3200	3200	Unch
	Kolkata – Grade M	3350	3250	100
	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)				
Muzaffar Nagar		6-Jul-2013	5-Jul-2013	Change
	Chaku(Cold)	2988	2975	13
	Chaku (Arrival)	-	-	-
	Khurpa(Cold)	2700	2700	Unch
	Laddu	2900	2900	Unch

	Rascut(Cold)	2750	2700	50
Maharashtra	Lal Variety(Cold)	3275	3275	Unch
	Kolhapur	-	-	-
Bangalore	Achhu	3000	3000	Unch
	Mudde	3200	3200	Unch
Belgaum	Mudde	3000	2900	100
Belthangadi	Yellow (Average)	-	2900	-
Bijapur	Achhu	3150	-	-
Gulbarga	Other (Average)	2950	2900	50
Mahalingapur a	Penti (Average)	-	3160	-
Mandya	Achhu (Medium)	-	2850	-
	Kurikatu (Medium)	-	2500	-
	Other (Medium)	-	2500	-
	Yellow (Medium)	-	2850	-
Shimoga	Achhu (Average)	-	3500	-

UP Private Mills Tender Rates				
Centre	Origin/Grade	6-Jul-2013	5-Jul-2013	Change
Dorala	M-30	3125	3125	Unch
Mawana	M-30	3115	3115	Unch
Khatauli	M-30	3120	3120	Unch
Modinagar	M-30	-	-	-
Malakpur	M-30	-	-	-
Simbholi	M-30	3185	3185	Unch
Asamoli	M-30	3175	3175	Unch
Dhanora	M-30	3130	3130	Unch
Dhampur	M-30	3090	3090	Unch
Kinnoni	M-31	3200	3200	Unch
Budhana	M-31	3130	3130	Unch
Thanabhavan	M-31	3125	3125	Unch
UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	6-Jul-2013	5-Jul-2013	Change
Baghpat	M-30	3075	3075	Unch
Gajraula	M-30	3060	3060	Unch
BulandShahar	M-30	3090	3090	Unch
Anupshahar	M-30	3060	3060	Unch
UP Government Mills Tender Rates				
Centre	Origin/Grade	6-Jul-2013	5-Jul-2013	Change

Morna	M-30	3065	3065	Unch
Nanotha	M-30	3060	3060	Unch
Nazibabad	M-30	3055	3055	Unch
Sakoti	M-30	3075	3075	Unch
Amroha	M-30	3085	3085	Unch
Chandpur	M-31	3085	3085	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	7/5/13
CHOPDA	S.JK	2935
SANGAMNER	S.PP	2970.00-2972.00
	M.JB	3101.00-3111.00
BHENDA	S.JK-S1.PP	2951.00-2985.00
	M.PP	3105
NATURAL	OLD S.PP	2923.00-2925.00
	S.PP	2943.00-2945.00
LOKNETE	OLD S.JK	2920.00-2930.00
	S.PP	2923.00-2933.00
BHOGAWATI	S1.PP	2973
	S2.PP	2963
VENKATESH	S.JK	2970
	M.PP	3115.00 OPEN
GHODGANGA	S.PP	2955
	M.PP	3015
MANJARA	S.PP	2965.00-2968.00
	M.PP	3106.00-3108.00
PRAVARA	S.PP	2965.00-2970.00
	S1.PP	3003.00-3008.00
VRIDESHWAR	S.PP	2950
	S.JK	2965
SHARAD	S1.PP	2958
	S2.PP	2950
SONHIRA	S1.PP	2975
	M.JK	3075

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