

Sugar & Gur Domestic & International Fundamentals

- Sugar prices are moving in a steady to firm tone in key sugar spot markets on Monday.
- Thailand millers expect bumper production for 2013-14 to 11 million tons.
- Various trade houses sees present ICE raw sugar future prices made a bottom level which clearly shows a bullish view on sugar. We also expect prices of sugar would increase from here owing to increasing ethanol production diverted from sugar by Brazilian millers.
- Indian millers are not ready to sell sugar below \$480 per ton, according to trade sources. It is notable that depreciating rupee and increasing sugar demand due to Ramadan give Indian exporters some window to export sugar.
- Sugar prices made its bottom due to increasing raw sugar import from Brazil. Reported, around 2 million tons of sugar has been imported (mainly by Renuka Sugars) by India from Brazil. However, recent hike in sugar import duty from 10 to 15 percent by government remove the import parity. In addition to it, weak rupee increase the sugar export parity for Indian refiners and they export refined sugar to Middle east countries.
- Sugar production in Thailand may climb by 10% to a record 11 million tonnes in 2013/14 (November to October) as yields increase, according to the Thai Sugar Millers Corp.

Outlook:

We expect sugar prices would improve in the coming months considering increase in sugar export and upcoming sugar festive demand. Also, lower sugar production estimate for 2013-14 also support the prices in the long run.

NCDEX Sugar Future Quotes:

Contract	+/-	Open	High	Low	Close
Aug-13	-5.00	3027.00	3030.00	3012.00	3022.00
Sept-13	-4.00	3045.00	3045.00	3015.00	3037.00
Oct-13	-7.00	3065.00	3070.00	3038.00	3058.00

Contract	Volume	Change	OI	Change
Aug-13	3440	2680	29620	-600
Sept-13	2950	2420	16550	-670
Oct-13	900	470	10750	280

Spread	Aug-13	Sept-13	Oct-13
Basis	28		
Aug-13		15	36
Sept-13			21

Stocks	Demat 26.7.13	In-Process 26.7.13	Total 26.7.13	FED 22.7.13
Kolhapur M	5650	0	5650	6017
Solapur	923	-	923	-
Sangli M	21	0	21	21
Delhi M	2548	0	2548	2548

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
13-Oct	16.38	16.49	16.29	16.47	0.08
13-Dec	17.03	17.08	16.93	17.06	0.03
14-Mar	16.89	16.97	16.84	16.96	0.01

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Sept-13	-30.00	1215.50	1217.00	1188.50	1189.50
Nov-13	-20.00	1114.00	1119.00	1091.50	1098.00
Dec-13	-12.50	1085.00	1085.00	1065.50	1071.00

Contract	Volume	Change	OI	Change
Sept-13	8950	6750	8260	-510
Nov-13	620	250	1180	110
Dec-13	60	60	220	0

Spread	Sept-13	Nov-13	Dec-13
Basis	-9.5		
Sept-13		-91.5	-118.5
Oct-13			-27

Gur Stock Position	Chaku	Raskut	Papdi	Total
2013	711300	125000	180000	1148500
2012	796600	128000	135000	1197500

*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	475.8	482	475.8	479.8	2.7
14-Mar	467.7	472.3	467.7	470.8	1.7
14-May	467.5	470.7	466.5	469.5	0.7

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	356.75	-
Raw Sugar C&F (\$/MT)	Black Sea	391.75	-
Sugar White FOB (\$/MT)	Santos Port	459.75	-

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Oct'13/Oct'13	114.75	
Dec'13/Oct'13	111.5	
Dec'13/Mar'14	93.5	

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Contract	Close	+/-
Brazil Domestic Sugar	17.63	
Brazil Anhydrous	18.08	
Brazil Hydrous	17.18	

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		27-07-13	29-07-13	Change
Sugar	Delhi - Grade M	3240	3235	-5
	Delhi - Grade S	3205	3200	-5
	Delhi - Grade L	3295	3265	-30
	UP- Khatauli Grade M	3225	3220	-5
	UP- Ramala Grade M	-	-	-
	UP- Dhampur Grade M Ex-Mill	3100	3100	Unch
	UP- Dhampur Grade S Ex-Mill	3080	3080	Unch
	UP- Dhampur Grade L Ex-Mill	3150	3150	Unch
	Mumbai –Grade M	3242	3242	Unch
	Mumbai –Grade S	3116	3116	Unch
	Kolhapur – Grade M	3050	3050	Unch
	Kolhapur – Grade S	2950	2950	Unch
	Vijayawada – Grade M	3550	3550	Unch
	Vijayawada- Grade S	3400	3400	Unch
	Nagpur – Grade M	3250	3250	Unch
	Nagpur – Grade S	3150	3150	Unch
	Kolkata – Grade M	3315	3360	+45
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3100	3100	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	3100	3100	Unch
	Chennai - Grade S	3075	3075	Unch

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

Gur Spot Prices (Rs/Qtl)				
		27-07-13	29-07-13	Change
Muzaffar Nagar	Chaku(Cold)	2912	2950	+38
	Khurpa(Cold)	2700	2400	-300
	Laddu	2900	2700	-200
	Rascut(Cold)	2675	2650	-25
Maharashtra	Lal Variety(Cold)	3250	3225	-25

	Kolhapur	4600	4600	Unch
Bangalore	Achhu	3100	3100	Unch
	Mudde	3200	3200	Unch
Belgaum	Mudde	-	3000	Unch
Belthangadi	Yellow (Average)	-	Unch	-
Bijapur	Achhu	3250	3300	+50
Gulbarga	Other (Average)	-	3050	-
Mahalingapura	Penti (Average)	3240	3180	-60
Mandya	Achhu (Medium)	-	3000	-
	Kurikatu (Medium)	-	2500	-
	Other (Medium)	-	2500	-
	Yellow (Medium)	-	2900	-
Shimoga	Achhu (Average)	-	-	-

UP Private Mills Tender Rates				
Centre	Origin/Grade	27-07-13	29-07-13	Change
Dorala	M-30	3135	3150	+15
Mawana	M-30	3135	3150	+15
Khatauli	M-30	3110	3125	+15
Modinagar	M-30	3135	3145	+10
Malakpur	M-30	-	-	
Simbholi	M-30	3190	3205	+15
Asamoli	M-30	3160	3170	+10
Dhanora	M-30	3120	3130	+10
Dhampur	M-30	3100	3100	Unch
Kinnoni	M-31	3200	3220	+20
Budhana	M-31	3130	3150	+20
Thanabhavan	M-31	3125	3145	+20

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	27-07-13	29-07-13	Change
Baghpat	M-30	3110	3120	+10
Gajraula	M-30	3090	3100	+10
BulandShahar	M-30	3095	3100	+5
Anupshahar	M-30	3090	3100	+10

UP Government Mills Tender Rates				
Centre	Origin/Grade	27-07-13	29-07-13	Change
Morna	M-30	3100	3110	+10
Nanotha	M-30	3090	3100	+10
Nazibabad	M-30	3090	3100	+10
Sakoti	M-30	3090	3095	+5

Amroha	M-30	3090	3095	+5
Chandpur	M-31	3085	3090	+5

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