

## Sugar & Gur Domestic & International Fundamentals

- Sugar prices are stable presently in key sugar cash markets today.
- Brazil has exported 2.33 million tons of sugar, raw value, in July 2013 up marginally from 2.24 in the previous month.
- Around 20% of the Southern Brazil sugarcane crop damaged due to recent frost, according to Dataagro. It is notable that trade houses estimates around 590 million tons of crop still remain unharvested as reported.
- Buyers are waiting for new month for sugar purchases as reported. Retailers buy sugar and sell it immediately at discount rate in the market to avoid quality deterioration in rainy season.
- Brazil cuts sugarcane interest rates to increase the investment in the crop.
- Sugar prices surge in ICE as well as in LIFFE over wet weather conditions in Brazil decreasing sucrose content in cane. In addition to it, USDA today bought 136000 tons of sugar also support the sugar prices.
- Central government might allow state govt. to raise PDS sugar prices considering increasing subsidy burden on states. It is notable that states are procuring sugar at Rs 3200 per quintal and make it available at Rs 1300 per quintal in PDS. However, transportation cost doesnot include in that which make it difficult to states which are far from sourcing states of sugar like UP and Maharashtra.
- Gur prices declined today in Muzaffar nagar market due to lower gur lifting from cold storages.
- Meanwhile, expected late crushing operations by millers in UP and Maharashtra also might urge farmers to divert their cane towards gur making. Weak lifting of gur by Rajasthan and Gujarat also curb any hike in prices of gur.

### 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	-2.00	3014.00	3021.00	3010.00	3015.00
Sept-13	-6.00	3015.00	3015.00	2999.00	3010.00
Oct-13	-14.00	3030.00	3030.00	3014.00	3018.00

Contract	Volume	Change	OI	Change
Aug-13	1990	-1420	23440	-1230
Sept-13	1860	-1420	17520	360
Oct-13	3370	-1950	13650	2220

Spread	Aug-13	Sept-13	Oct-13
Basis	33		
Aug-13		-3	17
Sept-13			20

Stocks	Demat 01.8.13	In-Process 01.8.13	Total 01.8.13	FED 29.7.13
Kolhapur M	5650	0	5650	5650
Solapur	-	-	-	-
Sangli M	21	0	21	21
Delhi M	1948	0	1948	2548

### LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
13-Oct	490.6	494.6	486.7	488.3	-2.40
13-Dec	480.8	484.1	477.5	479	-2.00
14-Mar	478.2	480.7	475.5	476.9	-1.80

### NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Sept-13	-13.50	1170.50	1173.00	1157.50	1162.00
Nov-13	-8.00	1091.00	1097.00	1088.00	1091.50
Dec-13	-9.00	1070.00	1085.00	1062.50	1063.00

Contract	Volume	Change	OI	Change
Sept-13	5130	-30	8140	310
Nov-13	320	80	1200	-30
Dec-13	120	110	230	10

Spread	Sept-13	Nov-13	Dec-13
Basis	-8.5		
Sept-13		-76.5	-100.5
Oct-13			-24

Gur Stock Position	Chaku	Raskut	Papdi	Total
2013	635000	115000	114000	997000
2012	725000	125000	152000	1032000

\*Stock Positions stored in Warehouses are till 29<sup>th</sup> July 2013 (All figures in Bags 40 kg each)

### ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
13-Oct	16.95	17.03	16.78	16.83	-0.14
14-Mar	17.46	17.52	17.29	17.36	-0.11
14-May	17.3	17.35	17.17	17.23	-0.07

## Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	<b>372.25</b>	-
Raw Sugar C&F (\$/MT)	Black Sea	<b>407.25</b>	-
Sugar White FOB (\$/MT)	Santos Port	<b>472.00</b>	-

## Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Oct'13/Oct'13	117.25	
Dec'13/Oct'13	108	
Dec'13/Mar'14	96.25	

## Brazil Sugar/ Ethanol Prices (In Cents/lb)

Contract	Close	+/-
Brazil Domestic Sugar	16.59	
Brazil Anhydrous	17.38	
Brazil Hydrous	15.94	

## Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		02-08-13	01-08-13	
Sugar	Delhi - Grade M	3225	3235	<b>-10</b>
	Delhi - Grade S	3200	3215	<b>-15</b>
	Delhi - Grade L	3290	3300	<b>-10</b>
	UP- Khatauli Grade M	3210	3210	Unch
	UP- Ramala Grade M	3200	3200	Unch
	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	3240	3240	Unch
	Mumbai –Grade S	3102	3102	Unch
	Kolhapur – Grade M	3050	3050	Unch
	Kolhapur – Grade S	2950	2950	Unch
	Vijayawada – Grade M	3530	3530	Unch
	Vijayawada- Grade S	3380	3380	Unch
	Nagpur – Grade S	3250	3250	Unch
	Kolkata – Grade M	3150	3150	Unch
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3100	3100	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	3100	3100	Unch
	Chennai - Grade S	3085	3085	Unch

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

Gur Spot Prices (Rs/Qtl)				
		02-08-13	01-08-13	Change
Muzaffar Nagar	Chaku(Cold)	2825	2910	<b>-85</b>
	Khurpa(Cold)	2700	2700	Unch
	Laddu	-	2900	-
	Rascut(Cold)	2625	2650	<b>-25</b>
Maharashtra	Lal Variety(Cold)	3225	3225	Unch
	Kolhapur	4600	4600	Unch
Bangalore	Achhu	3100	3100	Unch
	Mudde	3200	3200	Unch

<b>Belgaum</b>	Mudde	3200	3200	<b>Unch</b>
<b>Belthangadi</b>	Yellow (Average)	-	2800	-
<b>Bijapur</b>	Achhu	-	3450	-
<b>Gulbarga</b>	Other (Average)	2950	2800	<b>150</b>
<b>Mahalingapura</b>	Penti (Average)	3200	3150	<b>50</b>
<b>Mandya</b>	Achhu (Medium)	2900	2900	<b>Unch</b>
	Kurikatu (Medium)	2500	2500	<b>Unch</b>
	Other (Medium)	2500	2500	<b>Unch</b>
	Yellow (Medium)	2900	2900	<b>Unch</b>
<b>Shimoga</b>	Achhu (Average)	3325	3375	<b>-50</b>

UP Private Mills Tender Rates				
Centre	Origin/Grade	02-08-13	01-08-13	Change
Dorala	M-30	3150	3150	<b>Unch</b>
Mawana	M-30	3150	3150	<b>Unch</b>
Khatauli	M-30	3120	3120	<b>Unch</b>
Modinagar	M-30	3150	3150	<b>Unch</b>
Malakpur	M-30	-	-	-
Simbholi	M-30	3210	3210	<b>Unch</b>
Asamoli	M-30	3170	3170	<b>Unch</b>
Dhanora	M-30	3140	3140	<b>Unch</b>
Dhampur	M-30	3100	3100	<b>Unch</b>
Kinnoni	M-31	3225	3225	<b>Unch</b>
Budhana	M-31	3166	3166	<b>Unch</b>
Thanabhavan	M-31	3150	3150	<b>Unch</b>
UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	02-08-13	01-08-13	Change
Baghpat	M-30	3120	3120	<b>Unch</b>
Gajraula	M-30	3100	3100	<b>Unch</b>
BulandShahar	M-30	3100	3100	<b>Unch</b>
Anupshahar	M-30	3100	3100	<b>Unch</b>
UP Government Mills Tender Rates				
Centre	Origin/Grade	02-08-13	01-08-13	Change
Morna	M-30	3110	3110	<b>Unch</b>
Nanotha	M-30	3100	3100	<b>Unch</b>
Nazibabad	M-30	3100	3100	<b>Unch</b>
Sakoti	M-30	3100	3100	<b>Unch</b>
Amroha	M-30	3095	3095	<b>Unch</b>
Chandpur	M-31	3095	3095	<b>Unch</b>

Centre	Origin/Grade	1-Aug-13
PANCHGANGA	M2.PP	2938
GEM	S2.PP-JB	2938.00-2973.00
	M.PP	3113
NIRANI	S1.PP-JB	2950.00-3000.00
	M/30	3060
AMBALIKA	S.PP	2920
SADASHIV	S.JK	2908
	M.JB	2950
D.Y. PATIL	S1.PP	2918.00 OPEN
VISHWAS	S1.PP	2950.00-2953.00
	M.PP	3066.00-3068.00
JARENDESHWAR	S1.PP	2925
	S2.PP	2910
SHREEPUR	S1.PP-JK	2976.00-2994.00
	M.PP	3098.00 OPEN
NATURAL	S.PP	2978
VIGHNAHAR	S.JB	2950
	M.JB	3050

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