

Sugar & Gur Domestic & International Fundamentals

- Mixed sentiments recorded in key sugar spot markets on Wednesday as markets could not find adequate cues to decide the prices either side.
- Canaplan cuts its estimate of sugar production in Brazil's Center South region for 2013-14 to 33 million tons from 34.5 million tons forecasted earlier.
- Government sees 29.5 million tons sugar availability for 2013-14 marketing year starting from October 2013. Government takes 7 million tons as a ending stock and 22.5 million tons sugar production for 2013-14.
- Pakistan sugar output likely to rise by 20% to 6 million tons in 2013-14 up from 5 million tons sugar output in 2012-13. Increase in cane prices by government urge farmers to plant more sugarcane in their respective fields. Pakistan has exported 1.2 million tons of sugar in 2012-13. We expect sugar export likely to reach around 1.5 million in 2013-14.
- Total around 48.5 lac hectares of sugarcane sowing has been done till 2nd August 2013. However, this year progressive sowing till last week is 3.2% lower compared to last year same period. It is notable that sugarcane has been sowed in 2012-13 was 50.1 lac hectares at same period.
- Gur prices improved today in Muzaffar nagar spot market.
- 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	4.00	3010.00	3016.00	3006.00	3011.00
Sept-13	-1.00	3010.00	3014.00	3004.00	3010.00
Oct-13	4.00	3023.00	3030.00	3021.00	3029.00

Contract	Volume	Change	OI	Change
Aug-13	2260	1200	16770	-1380
Sept-13	3890	1200	18720	-1170
Oct-13	1230	20	14620	20

Spread	Aug-13	Sept-13	Oct-13
Basis	14		
Aug-13		-1	18
Sept-13			19

Stocks	Demat 06.8.13	In-Process 06.8.13	Total 06.8.13	FED 05.8.13
Kolhapur M	5532	0	5532	5532
Kolhapur S	-	-	-	-
Sangli M	-	-	-	-
Delhi M	1449	0	1449	1698

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
13-Oct	485	491.2	484.5	488.3	3.1
13-Dec	474.7	478.4	474.1	475.6	0.4
14-Mar	472.6	475.6	472.6	473.1	-0.7

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Sept-13	-13.00	1172.50	1174.00	1155.50	1158.50
Nov-13	-5.00	1097.00	1098.50	1093.00	1093.00
Dec-13	4.50	1067.00	1067.00	1067.00	1067.00

Contract	Volume	Change	OI	Change
Sept-13	4940	2020	8410	130
Nov-13	130	0	1290	30
Dec-13	10	-20	230	20

Spread	Sept-13	Nov-13	Dec-13
Basis	1.5		
Sept-13		-65.5	-91.5
Oct-13			-26

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

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

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
13-Oct	16.58	16.65	16.52	16.55	-0.01
14-Mar	17.18	17.25	17.13	17.16	-0.02
14-May	17.12	17.16	17.06	17.08	-0.02

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	366.75	-
Raw Sugar C&F (\$/MT)	Black Sea	401.75	-
Sugar White FOB (\$/MT)	Santos Port	466.75	-

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
		7-Aug-13	6-Aug-13	
Sugar	Delhi - Grade M	3210	3215	-5
	Delhi - Grade S	3190	3190	Unch
	Delhi - Grade L	3280	3280	Unch
	UP- Khatauli Grade M	3220	3205	15
	UP- Ramala Grade M	3180	3150	30
	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	3272	3266	6
	Mumbai –Grade S	3106	3102	4
	Kolhapur – Grade M	3025	3050	-25
	Kolhapur – Grade S	2925	2950	-25
	Vijayawada – Grade M	3530	3530	Unch
	Vijayawada- Grade S	3380	3380	Unch
	Nagpur – Grade S	3250	3250	Unch
	Kolkata – Grade M	-	-	-
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3111	3100	11
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	-	-	-
	Chennai - Grade S	3075	3070	5

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

Gur Spot Prices (Rs/Qtl)				
		7-Aug-13	6-Aug-13	Change
Muzaffar Nagar	Chaku(Cold)	2900	2863	37
	Chaku (Arrival)	-	-	-
	Khurpa(Cold)	2720	2600	120
	Laddu	2950	2800	150
	Rascut(Cold)	2725	2700	25
Maharashtra	Lal Variety(Cold)	3200	3200	Unch
	Kolhapur	-	-	-

Bangalore	Achhu	3000	3100	-100
	Mudde	3100	3200	-100
Belgaum	Mudde	3300	-	-
Belthangadi	Yellow (Average)	2800	-	-
Bijapur	Achhu	-	3250	-
Gulbarga	Other (Average)	2850	-	-
Mahalingapura	Penti (Average)	3210	-	-
Mandya	Achhu (Medium)	3000	3000	Unch
	Kurikatu (Medium)	2500	2500	Unch
	Other (Medium)	2550	2550	Unch
	Yellow (Medium)	2900	2900	Unch
Shimoga	Achhu (Average)	-	3425	-

UP Private Mills Tender Rates				
Centre	Origin/Grade	7-Aug-13	6-Aug-13	Change
Dorala	M-30	3145	3145	Unch
Mawana	M-30	3145	3145	Unch
Khatauli	M-30	3110	3110	Unch
Modinagar	M-30	-	-	-
Malakpur	M-30	-	-	-
Simbholi	M-30	3185	3185	Unch
Asamoli	M-30	3160	3160	Unch
Dhanora	M-30	3120	3120	Unch
Dhampur	M-30	3090	3090	Unch
Kinnoni	M-31	3215	3215	Unch
Budhana	M-31	3145	3145	Unch
Thanabhavan	M-31	3135	3135	Unch
UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	7-Aug-13	6-Aug-13	Change
Baghpat	M-30	3095	3095	Unch
Gajraula	M-30	3075	3075	Unch
BulandShahar	M-30	3090	3090	Unch
Anupshahar	M-30	3075	3075	Unch
UP Government Mills Tender Rates				
Centre	Origin/Grade	7-Aug-13	6-Aug-13	Change
Morna	M-30	3085	3085	Unch
Nanotha	M-30	3075	3075	Unch
Nazibabad	M-30	3085	3085	Unch
Sakoti	M-30	3080	3080	Unch
Amroha	M-30	3085	3085	Unch

Chandpur	M-31	3075	3075	Unch
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Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	6-Aug-13
VENKATESH	S.PP	2945
	M.PP	3095.00 OPEN
GHODGANGA	S.PP	2935.00 OPEN
	M.PP	3005.00 OPEN
SHRINATH MASKOBA	M.PP	3018.00 OPEN
MALEGAON	S.PP-JK	2913.00-2928.00
	S.JB	2953.00 OPEN
JARANDESHWAR	S1.PP	2930
	S.PP	2915.00 OPEN
BHUINJ	S.PP	2918.00 OPEN
OLAM	S.PP	3015
	M.PP-M1.PP	3060.00-3130.00
ZIRI	S.PP	3001
	M.PP	3125
MANJARA	S1.PP	2978
	M.PP	3120
MURUM	S.JB	2960
DAUND	S.PP	2930
	S1.PP	2965
BORAWA	S.PP	3028
	M.PP	3075
ADINATH	S.PP	2938
	M.PP	3070.00 OPEN
VISHWAS	S1.PP	2963.00-2964.00
	M.PP	3083.00-3084.00
BIDRI	S.PP	2940.00-2942.00
	M.PP	3058.00-3060.00