

Sugar & Gur Domestic & International Fundamentals

- Mixed sentiments recorded in key sugar spot markets on Thursday as markets could not find adequate cues to decide the prices either side.
- Guwahati market is getting sugar from Maharashtra markets at Rs 3280 per quintal S Grade as reported.
- 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 | -3.00 | 3010.00 | 3013.00 | 3003.00 | 3010.00 |
| Sept-13 | 1.00 | 3016.00 | 3018.00 | 3008.00 | 3011.00 |
| Oct-13 | -3.00 | 3022.00 | 3030.00 | 3022.00 | 3025.00 |

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|-------|--------|
| Aug-13 | 2620 | 360 | 15140 | -1630 |
| Sept-13 | 1880 | -2010 | 19400 | 680 |
| Oct-13 | 570 | -660 | 14740 | 120 |

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

| Stocks | Demat 07.8.13 | In-Process 07.8.13 | Total 07.8.13 | FED 05.8.13 |
|------------|------------------|-----------------------|------------------|----------------|
| Kolhapur M | 5532 | 0 | 5532 | 5532 |
| Kolhapur S | - | - | - | - |
| Sangli M | - | - | - | - |
| Delhi M | 449 | 0 | 449 | 1698 |

LIFFE Sugar Futures (In US\$/MT)

| Contract | Open | High | Low | Close | +/- |
|----------|-------|-------|-------|-------|-----|
| 13-Oct | 487.5 | 494.8 | 487.5 | 494.3 | 6 |
| 13-Dec | 474.6 | 481.5 | 474.6 | 481.1 | 5.5 |
| 14-Mar | 472.3 | 478.9 | 472.3 | 478.6 | 5.5 |

NCDEX Gur Future Quotes:

| Contract | +/- | Open | High | Low | Close |
|----------|------|---------|---------|---------|---------|
| Sept-13 | 7.00 | 1158.50 | 1168.00 | 1158.50 | 1166.00 |
| Nov-13 | 5.00 | 1099.50 | 1103.50 | 1097.00 | 1099.50 |
| Dec-13 | 4.00 | 1074.00 | 1074.00 | 1066.00 | 1071.00 |

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|------|--------|
| Sept-13 | 3110 | -1830 | 7870 | -540 |
| Nov-13 | 240 | 110 | 1360 | 70 |
| Dec-13 | 110 | 100 | 240 | 10 |

| 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 | 16.55 | 16.8 | 16.52 | 16.78 | 0.23 |
| 14-Mar | 17.16 | 17.41 | 17.13 | 17.39 | 0.23 |
| 14-May | 17.08 | 17.34 | 17.05 | 17.32 | 0.24 |

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 |
|-----------|---|-----------------|----------|--------|
| | | 8-Aug-13 | 7-Aug-13 | |
| Sugar | Delhi - Grade M | 3210 | 3210 | Unch |
| | Delhi - Grade S | 3190 | 3190 | Unch |
| | Delhi - Grade L | 3280 | 3280 | Unch |
| | UP- Khatauli Grade M | 3225 | 3220 | 5 |
| | UP- Ramala Grade M | 3155 | 3180 | -25 |
| | 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 | 3276 | 3272 | 4 |
| | Mumbai –Grade S | 3112 | 3106 | 6 |
| | Kolhapur – Grade M | 3025 | 3025 | Unch |
| | Kolhapur – Grade S | 2925 | 2925 | Unch |
| | Guhawati – Grade S | 3280 | - | - |
| | Shillong – Grade S | 3325 | - | - |
| | 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 | 3111 | Unch |
| | Ambikapur (Chattisgarh)- Grade S (Without Duty) | - | - | - |
| | Chennai - Grade S | 3100 | 3075 | 25 |

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

| Gur Spot Prices (Rs/Qtl) | | | | |
|--------------------------|-----------------|----------|----------|--------|
| | | 8-Aug-13 | 7-Aug-13 | Change |
| Muzaffar Nagar | Chaku(Cold) | 2850 | 2900 | -50 |
| | Chaku (Arrival) | - | - | - |
| | Khurpa(Cold) | 2700 | 2720 | -20 |
| | Laddu | 2950 | 2950 | Unch |
| | Rascut(Cold) | 2675 | 2725 | -50 |

| | | | | |
|---------------|-------------------|------|------|------|
| Maharashtra | Lal Variety(Cold) | 3250 | 3200 | 50 |
| | Kolhapur | - | - | - |
| Bangalore | Achhu | 3000 | 3000 | Unch |
| | Mudde | 3100 | 3100 | Unch |
| Belgaum | Mudde | 3300 | 3300 | Unch |
| Belthangadi | Yellow (Average) | 2800 | 2800 | Unch |
| Bijapur | Achhu | - | - | - |
| Gulbarga | Other (Average) | 2950 | 2850 | 100 |
| Mahalingapura | Penti (Average) | 3150 | 3210 | -60 |
| Mandya | Achhu (Medium) | 3000 | 3000 | Unch |
| | Kurikatu (Medium) | 2500 | 2500 | Unch |
| | Other (Medium) | 2500 | 2550 | -50 |
| | Yellow (Medium) | 2900 | 2900 | Unch |
| Shimoga | Achhu (Average) | - | - | - |

| UP Private Mills Tender Rates | | | | |
|-------------------------------|--------------|----------|----------|--------|
| Centre | Origin/Grade | 8-Aug-13 | 7-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 | 8-Aug-13 | 7-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 | 8-Aug-13 | 7-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 |

| Maharashtra Cooperative Mills Tender Prices | | |
|---|--------------|-----------------|
| Centre | Origin/Grade | 7-Aug-13 |
| BARAMATI | S.PP | 2925.00 OPEN |
| VITHEWADI | S.PP | 2945 |
| | M.JB | 3090 |
| SHRIGONDA | S.PP | 2930 |
| | S.JB | 2950 |
| AGASTI | S.PP | 2945.00-2950.00 |
| | M/30 | 3111 |
| HEMRAUS | S1.PP | 2975 |
| | M/30 | 3100 |
| WARANA | S2.PP-JK | 2913.00-2922.00 |
| | M.PP | 3028 |
| NATURAL | OLD S.PP | 2908 |
| | S.PP | 2918.00-2921.00 |
| SAHYADRI | S.PP | 2935.00-2940.00 |
| | M.PP | 3030.00-3035.00 |
| UDGIRI | S1.PP-S2.PP | 2953.00-2930.00 |
| | S.JK | 2938 |
| MADHUKAR | S.PP | 2991 |
| | M.PP | 3105 |
| GEMS | S2.PP | 2928 |
| | S2.JB | 2958 |
| JAMKHANDI | S2.PP | 2938 |
| | S2.JB | 2958 |
| SOMESHWAR | S.PP-S1.PP | 2925.00-2945.00 |
| | M.PP | 3083 |
| LBP | S.PP | 2928 |
| | M.PP | 2973.00 OPEN |
| MALINAGAR | S.PP | 2913 |
| MULA | S.JK-S1.PP | 2961.00-3051.00 |
| | M.PP | 3041.00 OPEN |
| PRASAD | S.PP | 2940.00-2945.00 |
| | S1.PP | 2965.00-2966.00 |
| SANJIVANI | S.JB | 2985 |
| | M.JB | 3103 |

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