

Sugar & Gur Domestic & International Fundamentals

- Sugar prices remained flat for last couple of days considering lackluster trade in the markets. However, prices of sugar likely to rise over expected sugar festival demand.
- Thai raw sugar premium stood at 130 points over ICE raw sugar future contract which was 75 to 80 points. It is notable that the refining cost of raw sugar is about \$60-\$70 per ton. Meanwhile, white over raw sugar premium quoted at \$121 per ton.
- India sugar exports likely to reach 0.5-1 million tons in 2012-13 as expected.
- International sugar prices continuously improving in ICE as well as LIFFE. On charts, prices should move up to 17.20 cents per lb in the coming week as expected.
- Brazil mills had increase cane allocation to make ethanol to 55% from earlier 54.6% considering higher demand.
- 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.
- Gur prices declined 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	22.00	3030.00	3043.00	3030.00	3043.00
Sept-13	8.00	3005.00	3019.00	3005.00	3016.00
Oct-13	4.00	3025.00	3031.00	3025.00	3030.00

Contract	Volume	Change	OI	Change
Aug-13	670	-5480	7840	-4560
Sept-13	1640	-3190	19110	-510
Oct-13	1630	-850	15060	-670

Spread	Aug-13	Sept-13	Oct-13
Basis	-18		
Aug-13		-27	-13
Sept-13			14

Stocks	Demat 12.8.13	In-Process 12.8.13	Total 12.8.13	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	498.50	500.50	496.90	500.20	2.30
13-Dec	486.70	489.90	484.70	488.80	3.70
14-Mar	484	485.60	480.80	485.60	3.20

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Sept-13	10.50	1184.00	1204.00	1181.00	1194.00
Nov-13	2.00	1123.00	1134.00	1123.00	1129.50
Dec-13	-1.50	1072.00	1095.50	1072.00	1088.50

Contract	Volume	Change	OI	Change
Sept-13	8720	2960	7960	330
Nov-13	630	-230	1590	100
Dec-13	260	-10	330	0

Spread	Sept-13	Nov-13	Dec-13
Basis	-24		
Sept-13		-64.5	-105.5
Oct-13			-41

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	17.03	17.23	16.9	17.16	0.18
14-Mar	17.56	17.73	17.45	17.68	0.14
14-May	17.48	17.61	17.35	17.57	0.12

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	382.25	-
Raw Sugar C&F (\$/MT)	Black Sea	415.25	-
Sugar White FOB (\$/MT)	Santos Port	480.75	-

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
		13-Aug-13	12-Aug-13	
Sugar	Delhi - Grade M	3220	3220	Unch
	Delhi - Grade S	3185	3180	5
	Delhi - Grade L	3285	3290	-5
	UP- Khatauli Grade M	3220	3225	-5
	UP- Ramala Grade M	3160	3150	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	3266	3276	-10
	Mumbai –Grade S	3076	3080	-4
	Kolhapur – Grade M	3025	3025	Unch
	Kolhapur – Grade S	2925	2925	Unch
	Guhawati – Grade S	3233	3233	Unch
	Shillong – Grade S	3245	3245	Unch
	Vijayawada – Grade M	3530	3530	Unch
	Vijayawada- Grade S	3380	3380	Unch
	Nagpur – Grade S	3300	3300	Unch
	Kolkata – Grade M	3395	3395	Unch
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3111	3111	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	-	-	-
	Chennai - Grade S	3100	3100	Unch

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

Gur Spot Prices (Rs/Qtl)				
		13-Aug-13	12-Aug-13	Change
Muzaffar Nagar	Chaku(Cold)	2925	2950	-25
	Chaku (Arrival)	-	-	-
	Khurpa(Cold)	2800	2800	Unch
	Laddu	3000	2900	100

	Rascut(Cold)	2750	2700	50
Maharashtra	Lal Variety(Cold)	3250	3250	Unch
	Kolhapur	-	-	-
Bangalore	Achhu	3000	3000	Unch
	Mudde	3100	3100	Unch
Belgaum	Mudde	-	-	-
Belthangadi	Yellow (Average)	2800	2800	Unch
Bijapur	Achhu	3250	3100	150
Gulbarga	Other (Average)	2850	2900	-50
Mahalingapura	Penti (Average)	3150	3140	10
Mandya	Achhu (Medium)	3000	2950	50
	Kurikatu (Medium)	2500	2500	Unch
	Other (Medium)	2900	2550	350
	Yellow (Medium)	2900	2900	Unch
Shimoga	Achhu (Average)	3375	3425	-50

UP Private Mills Tender Rates				
Centre	Origin/Grade	13-Aug-13	12-Aug-13	Change
Dorala	M-30	3150	3150	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	3165	3165	Unch
Dhanora	M-30	3120	3120	Unch
Dhampur	M-30	3090	3090	Unch
Kinnoni	M-31	3215	3215	Unch
Budhana	M-31	3165	3165	Unch
Thanabhavan	M-31	3135	3135	Unch

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	13-Aug-13	12-Aug-13	Change
Baghpat	M-30	3085	3085	Unch
Gajraula	M-30	3070	3070	Unch
BulandShahar	M-30	3090	3090	Unch
Anupshahar	M-30	3070	3070	Unch

UP Government Mills Tender Rates				
Centre	Origin/Grade	13-Aug-13	12-Aug-13	Change
Morna	M-30	3075	3075	Unch
Nanotha	M-30	3070	3070	Unch

Nazibabad	M-30	3070	3070	Unch
Sakoti	M-30	3080	3080	Unch
Amroha	M-30	3085	3085	Unch
Chandpur	M-31	3075	3075	Unch

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