

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.
- Indian government estimate 22.5 million tons sugar production for 2013-14 as reported.
- 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.
- 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 prices to remain range bound with some weakness in the short term. Stockists would trying to build stocks at lower rates before festival demand as expected.

NCDEX Sugar Future Quotes:

Contract	+/-	Open	High	Low	Close
Aug-13	12.00	3050.00	3054.00	3050.00	3054.00
Sept-13	-8.00	3021.00	3021.00	3007.00	3010.00
Oct-13	-8.00	3030.00	3032.00	3021.00	3022.00

Contract	Volume	Change	OI	Change
Aug-13	1300	630	6360	-1480
Sept-13	3710	2070	17660	-1450
Oct-13	1770	140	15060	0

Spread	Aug-13	Sept-13	Oct-13
Basis	-29		
Aug-13		-44	-32
Sept-13			12

Stocks	Demat 13.8.13	In-Process 13.8.13	Total 13.8.13	FED 12.8.13
Kolhapur M	5532	0	5532	5532
Kolhapur S	-	-	-	-
Sangli M	-	-	-	-
Delhi M	449	0	449	449

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
13-Oct	500.9	506.6	499.6	503.2	3
13-Dec	489.7	493.6	488.5	490.7	1.9
14-Mar	485.5	489.6	484.8	486.8	1.2

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Sept-13	-14.50	1192.00	1192.00	1176.00	1182.00
Nov-13	-5.50	1108.00	1134.50	1108.00	1124.50
Dec-13	-6.50	1084.00	1085.00	1080.00	1085.00

Contract	Volume	Change	OI	Change
Sept-13	6660	-2060	7490	-470
Nov-13	460	-170	1680	90
Dec-13	60	-200	320	-10

Spread	Sept-13	Nov-13	Dec-13
Basis	-32		
Sept-13		-57.5	-97
Oct-13			-39.5

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	17.16	17.29	17.13	17.25	0.09
14-Mar	17.68	17.78	17.61	17.73	0.05
14-May	17.52	17.65	17.5	17.61	0.04

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	381.50	-
Raw Sugar C&F (\$/MT)	Black Sea	414.50	-
Sugar White FOB (\$/MT)	Santos Port	479.75	-

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
		14-Aug-13	13-Aug-13	
Sugar	Delhi - Grade M	3220	3220	Unch
	Delhi - Grade S	3185	3185	Unch
	Delhi - Grade L	3285	3285	Unch
	UP- Khatauli Grade M	3220	3220	Unch
	UP- Ramala Grade M	3160	3160	Unch
	UP- Dhampur Grade M Ex-Mill	3070	3080	-10
	UP- Dhampur Grade S Ex-Mill	3050	3060	-10
	UP- Dhampur Grade L Ex-Mill	3120	3130	-10
	Mumbai –Grade M	3266	3266	Unch
	Mumbai –Grade S	3106	3076	30
	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)				
		14-Aug-13	13-Aug-13	Change
Muzaffar Nagar	Chaku(Cold)	2875	2925	-50
	Chaku (Arrival)	-	-	-
	Khurpa(Cold)	2700	2800	-100
	Laddu	2900	3000	-100

	Rascut(Cold)	2700	2750	-50
Maharashtra	Lal Variety(Cold)	3250	3250	Unch
	Kolhapur	-	-	-
Bangalore	Achhu	3000	3000	Unch
	Mudde	3100	3100	Unch
Belgaum	Mudde	3300	-	-
Belthangadi	Yellow (Average)	-	2800	-
Bijapur	Achhu	-	3250	-
Gulbarga	Other (Average)	2950	2850	100
Mahalingapura	Penti (Average)	3140	3150	-10
Mandya	Achhu (Medium)	3000	3000	Unch
	Kurikatu (Medium)	2500	2500	Unch
	Other (Medium)	2550	2900	-350
	Yellow (Medium)	2900	2900	Unch
Shimoga	Achhu (Average)	3400	3375	25

UP Private Mills Tender Rates				
Centre	Origin/Grade	14-Aug-13	13-Aug-13	Change
Dorala	M-30	-	3150	-
Mawana	M-30	-	3145	-
Khatauli	M-30	-	3110	-
Modinagar	M-30	-	-	-
Malakpur	M-30	-	-	-
Simbholi	M-30	-	3185	-
Asamoli	M-30	-	3165	-
Dhanora	M-30	-	3120	-
Dhampur	M-30	-	3090	-
Kinnoni	M-31	-	3215	-
Budhana	M-31	-	3165	-
Thanabhavan	M-31	-	3135	-

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	14-Aug-13	13-Aug-13	Change
Baghpat	M-30	-	3085	-
Gajraula	M-30	-	3070	-
BulandShahar	M-30	-	3090	-
Anupshahar	M-30	-	3070	-

UP Government Mills Tender Rates				
Centre	Origin/Grade	14-Aug-13	13-Aug-13	Change
Morna	M-30	-	3075	-
Nanotha	M-30	-	3070	-

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

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