

Sugar & Gur Domestic & International Fundamentals

- Mixed sentiments recorded in key sugar spot markets on Friday. Weak demand of sugar in UP pressurize the prices. However, good export demand for Maharashtra sugar support the prices of sugar.
- Meanwhile, weak rupee scenario gives exporters an opportunity to send sugar abroad keeping in view increasing international sugar prices.
- 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 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 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	21.00	3055.00	3078.00	3055.00	3075.00
Sept-13	6.00	3010.00	3021.00	3010.00	3016.00
Oct-13	6.00	3021.00	3033.00	3021.00	3033.00

Contract	Volume	Change	OI	Change
Aug-13	1840	540	4540	-1820
Sept-13	2000	-1710	17140	-520
Oct-13	1340	-430	14580	-480

Spread	Aug-13	Sept-13	Oct-13
Basis	-35		
Aug-13		-59	-42
Sept-13			17

Stocks	Demat 14.8.13	In-Process 14.8.13	Total 14.8.13	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	505.3	506.5	500.9	504.5	unch
13-Dec	491.5	493	487.7	491.5	unch
14-Mar	486.9	488.5	483.3	487.4	unch

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Sept-13	8.50	1184.00	1196.00	1182.00	1191.00
Nov-13	7.50	1126.00	1138.00	1125.00	1129.00
Dec-13	8.50	1092.50	1092.50	1091.00	1091.00

Contract	Volume	Change	OI	Change
Sept-13	3830	-2830	7230	-260
Nov-13	640	180	1620	-60
Dec-13	40	-20	330	10

Spread	Sept-13	Nov-13	Dec-13
Basis	-31		
Sept-13		-62	-100
Oct-13			-38

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	17.25	17.28	17.03	17.19	-0.06
14-Mar	17.71	17.75	17.52	17.68	-0.06
14-May	17.61	17.62	17.39	17.55	-0.06

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	381.25	-
Raw Sugar C&F (\$/MT)	Black Sea	414.25	-
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:

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Commodity	Centre	Prices (Rs/Qtl)		Change
		16-Aug-13	14-Aug-13	
Sugar	Delhi - Grade M	3200	3220	-20
	Delhi - Grade S	3180	3185	-5
	Delhi - Grade L	3280	3285	-5
	UP- Khatauli Grade M	3220	3220	Unch
	UP- Ramala Grade M	3170	3160	10
	UP- Dhampur Grade M Ex-Mill	3060	3070	-10
	UP- Dhampur Grade S Ex-Mill	3040	3050	-10
	UP- Dhampur Grade L Ex-Mill	3110	3120	-10
	Mumbai –Grade M	3286	3266	20
	Mumbai –Grade S	3106	3106	Unch
	Kolhapur – Grade M	3040	3025	15
	Kolhapur – Grade S	2940	2925	15
	Guhawati – Grade S	3248	3233	15
	Shillong – Grade S	3260	3245	15
	Vijayawada – Grade M	3530	3530	Unch
	Vijayawada- Grade S	3380	3380	Unch
	Nagpur – Grade S	3150	3150	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)				
		16-Aug-13	14-Aug-13	Change
Muzaffar Nagar	Chaku(Cold)	2900	2875	25
	Chaku (Arrival)	-	-	-
	Khurpa(Cold)	2750	2700	50

Maharashtra	Laddu	2900	2900	Unch
	Rascut(Cold)	2725	2700	25
	Lal Variety(Cold)	3250	3250	Unch
	Kolhapur	-	-	-
Bangalore	Achhu	3000	3000	Unch
	Mudde	3100	3100	Unch
Belgaum	Mudde	3300	3300	Unch
Belthangadi	Yellow (Average)	2800	2800	Unch
Bijapur	Achhu	3250	-	-
Gulbarga	Other (Average)	3100	2950	150
Mahalingapura	Penti (Average)	3140	3140	Unch
Mandya	Achhu (Medium)	-	3000	-
	Kurikatu (Medium)	-	2500	-
	Other (Medium)	-	2550	-
	Yellow (Medium)	-	2900	-
Shimoga	Achhu (Average)	-	3400	-

UP Private Mills Tender Rates				
Centre	Origin/Grade	16-Aug-13	14-Aug-13	Change
Dorala	M-30	3140	3150	-10
Mawana	M-30	3140	3145	-5
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	3060	3090	-30
Kinnoni	M-31	3210	3215	-5
Budhana	M-31	3165	3165	Unch
Thanabhavan	M-31	3130	3135	-5

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	16-Aug-13	14-Aug-13	Change
Baghpat	M-30	3075	3085	-10
Gajraula	M-30	3060	3070	-10
BulandShahar	M-30	3080	3090	-10
Anupshahar	M-30	3060	3070	-10

UP Government Mills Tender Rates				
Centre	Origin/Grade	16-Aug-13	14-Aug-13	Change
Morna	M-30	3065	3075	-10

Nanotha	M-30	3060	3070	-10
Nazibabad	M-30	3060	3070	-10
Sakoti	M-30	3070	3080	-10
Amroha	M-30	3080	3085	-5
Chandpur	M-31	3070	3075	-5

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