

Sugar & Gur Domestic & International Fundamentals

- Steady sentiments recorded in key sugar spot markets on Saturday. Lackluster trade led the prices unchanged in various markets as reported.
- Sugar prices continue its upward rally in International markets owing to lower sugar surplus globally and firm demand. This recent rally would definitely give some opportunity to Indian exporters as expected.
- India has exported 1.35 lac tons of sugar (both raws and whites) in August 2013. Out of total exported quantity, around 9800 tons of sugar has been re-exported under ALS scheme to Tanzania as reported.
- Kingsman has projected 4.45 million tons of global sugar surplus in 2013-14 which is half compared to previous forecast done by Kingsman. It is notable that Kingsman has projected 10.7 million tons of global sugar surplus earlier. Lower sugar prices for a long period of time increase the sugar consumption is the main reason for shrinking global sugar surplus.
- Millers urge government to increase sugar import duty to 30% from existing 15%. It is notable that sugar export is the only way out for millers to clear the mounting cane arrears.
- Gur prices improved today in Muzaffar nagar 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 try to build stocks at lower rates before festival demand as expected.

NCDEX Sugar Future Quotes:

| Contract | +/- | Open | High | Low | Close |
|----------|--------|---------|---------|---------|---------|
| Sept-13 | -23.00 | 2965.00 | 2988.00 | 2965.00 | 2985.00 |
| Oct-13 | -1.00 | 3002.00 | 3002.00 | 2985.00 | 2993.00 |
| Nov-13 | 4.00 | 2994.00 | 3001.00 | 2994.00 | 3001.00 |

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|-------|--------|
| Sept-13 | 1660 | 530 | 3020 | -2570 |
| Oct-13 | 300 | -470 | 11540 | 0 |
| Nov-13 | 600 | 470 | 9100 | 190 |

| Spread | Sept-13 | Oct-13 | Nov-13 |
|---------|---------|--------|--------|
| Basis | 40 | | |
| Sept-13 | | 8 | 16 |
| Oct-13 | | | 8 |

| Stocks | Demat 13.9.13 | In-Process 13.9.13 | Total 13.9.13 | FED 7.9.13 |
|------------|------------------|-----------------------|------------------|---------------|
| Kolhapur M | 3874 | 0 | 3874 | 3874 |
| Kolhapur S | - | - | - | - |
| Sangli M | - | - | - | - |
| Delhi M | 1448 | 399 | 1847 | 599 |

LIFFE Sugar Futures (In US\$/MT)

| Contract | Open | High | Low | Close | +/- |
|----------|--------|--------|--------|--------|-------|
| 13-Oct | 492.60 | 494.10 | 489.30 | 492.00 | -0.60 |
| 13-Dec | 486.80 | 487.90 | 482.70 | 485.70 | -1.20 |
| 14-Mar | 488.00 | 488.80 | 483.70 | 487.60 | -0.60 |

NCDEX Gur Future Quotes:

| Contract | +/- | Open | High | Low | Close |
|----------|------|---------|---------|---------|---------|
| Sept-13 | 0.00 | 1170.00 | 1173.00 | 1166.50 | 1170.00 |
| Nov-13 | 3.50 | 1135.00 | 1144.00 | 1135.00 | 1140.00 |
| Dec-13 | 1.50 | 1080.50 | 1087.00 | 1080.50 | 1084.00 |

| Contract | Volume | Change | OI | Change |
|----------|--------|--------|------|--------|
| Sept-13 | 3900 | 1630 | 4540 | 10 |
| Nov-13 | 1560 | 400 | 4540 | 410 |
| Dec-13 | 260 | -60 | 920 | 80 |

| Spread | Sept-13 | Nov-13 | Dec-13 |
|---------|---------|--------|--------|
| Basis | -20 | | |
| Sept-13 | | -30 | -86 |
| Oct-13 | | | -56 |

| Gur Stock Position | Chaku | Raskut | Papdi | Total |
|--------------------------|--------|--------|-------|--------|
| 2013 | 445000 | 82564 | 93852 | 617800 |
| 2012 | 434000 | 86487 | 70092 | 680000 |

*Stock Positions stored in Warehouses are till 2nd Sept 2013 (All figures in Bags 40 kg each)

ICE Sugar Futures (In Cents/Pound)

| Contract | Open | High | Low | Close | +/- |
|----------|-------|-------|-------|-------|-------|
| 13-Oct | 17.20 | 17.24 | 16.98 | 17.09 | -0.09 |
| 14-Mar | 17.72 | 17.76 | 17.55 | 17.68 | -0.05 |
| 14-May | 17.65 | 17.67 | 17.46 | 17.60 | -0.05 |

Brazil Sugar Quotes (Kingsman US\$/MT)

| Commodity | Place | Price | Change |
|-------------------------|-------------|--------|--------|
| Raw Sugar FOB (\$/MT) | Santos Port | 379.25 | - |
| Raw Sugar C&F (\$/MT) | Black Sea | 409.25 | - |
| Sugar White FOB (\$/MT) | Santos Port | 472.75 | - |

Brazil White Sugar Premium (US\$/MT)

| Contract | Close | +/- |
|---------------|--------|-----|
| Oct'13/Oct'13 | 119 | |
| Dec'13/Oct'13 | 112.25 | |
| Dec'13/Mar'14 | 102.25 | |

Brazil Sugar/ Ethanol Prices (In Cents/lb)

| Contract | Close | +/- |
|-----------------------|-------|-----|
| Brazil Domestic Sugar | 17.17 | |
| Brazil Anhydrous | 17.35 | |
| Brazil Hydrous | 16.53 | |

Sugar and Gur Prices at Key Spot Markets:

| Commodity | Centre | Prices (Rs/Qtl) | | Change |
|-----------|---|-----------------|-------------|--------|
| | | 14-Sep-2013 | 13-Sep-2013 | |
| Sugar | Delhi - Grade M | 3180 | 3180 | Unch |
| | Delhi - Grade S | 3110 | 3110 | Unch |
| | Delhi - Grade L | -- | -- | - |
| | UP- Khatauli Grade M | -- | -- | - |
| | UP- Ramala Grade M | -- | -- | - |
| | UP- Dhampur Grade M Ex-Mill | 3015 | 3015 | Unch |
| | UP- Dhampur Grade S Ex-Mill | 2995 | 2995 | Unch |
| | UP- Dhampur Grade L Ex-Mill | 3065 | 3065 | Unch |
| | Mumbai –Grade M | 3382 | 3386 | -4 |
| | Mumbai –Grade S | 3087 | 3086 | +1 |
| | 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 | 3580 | 3580 | Unch |
| | Vijayawada- Grade S | 3380 | 3380 | Unch |
| | Nagpur – Grade S | 3250 | 3250 | Unch |
| | Kolkata – Grade M | 3250 | 3250 | Unch |
| | Ambikapur (Chattisgarh)- Grade M (Without Duty) | 3100 | 3100 | 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-Sep-2013 | 13-Sep-2013 | Change |
| Muzaffar Nagar | Chaku | 2875 | 2855 | +20 |
| | Khurpa | -- | 2500 | - |
| | Laddu | 2900 | 2800 | +100 |
| | Rascut | 2612 | 2588 | +24 |
| Maharashtra | Lal Variety | 3250 | 3250 | Unch |
| Bangalore | Achhu | -- | 3000 | -- |

| | | | | |
|----------------------|-------------------|----|------|----|
| | Mudde | -- | 3600 | -- |
| Belgaum | Mudde | -- | 2800 | -- |
| Belthangadi | Yellow (Average) | -- | 2800 | -- |
| Bijapur | Achhu | -- | 3200 | -- |
| Gulbarga | Other (Average) | -- | 3100 | -- |
| Mahalingapura | Penti (Average) | -- | 3080 | -- |
| Mandya | Achhu (Medium) | -- | -- | -- |
| | Kurikatu (Medium) | -- | -- | -- |
| | Other (Medium) | -- | -- | -- |
| | Yellow (Medium) | -- | -- | -- |
| Shimoga | Achhu (Average) | -- | 3450 | -- |

| UP Private Mills Tender Rates | | | | |
|-----------------------------------|--------------|-------------|-------------|--------|
| Centre | Origin/Grade | 14-Sep-2013 | 13-Sep-2013 | Change |
| Dorala | M-30 | 3045 | 3045 | Unch |
| Mawana | M-30 | 3065 | 3065 | Unch |
| Khatauli | M-30 | 3050 | 3050 | Unch |
| Modinagar | M-30 | -- | -- | -- |
| Malakpur | M-30 | 3005 | 3005 | Unch |
| Simbholi | M-30 | 3135 | 3135 | Unch |
| Asamoli | M-30 | 3130 | 3130 | Unch |
| Dhanora | M-30 | 3070 | 3070 | Unch |
| Dhampur | M-30 | 3020 | 3020 | Unch |
| Kinnoni | M-31 | 3150 | 3150 | Unch |
| Budhana | M-31 | 3120 | 3120 | Unch |
| Thanabhavan | M-31 | 3085 | 3085 | Unch |
| UP Cooperative Mills Tender Rates | | | | |
| Centre | Origin/Grade | 14-Sep-2013 | 13-Sep-2013 | Change |
| Baghpat | M-30 | 2990 | 2990 | Unch |
| Gajraula | M-30 | 2980 | 2980 | Unch |
| BulandShahar | M-30 | 2965 | 2965 | Unch |
| Anupshahar | M-30 | 2970 | 2970 | Unch |
| UP Government Mills Tender Rates | | | | |
| Centre | Origin/Grade | 14-Sep-2013 | 13-Sep-2013 | Change |
| Morna | M-30 | 3000 | 3000 | Unch |
| Nanotha | M-30 | 2985 | 2985 | Unch |
| Nazibabad | M-30 | 2975 | 2975 | Unch |
| Sakoti | M-30 | 2980 | 2980 | Unch |
| Amroha | M-30 | -- | -- | -- |
| Chandpur | M-31 | 2965 | 2965 | Unch |

| Centre | Origin/Grade | 9/13/13 |
|----------------|--------------|-----------------|
| PRAWARA | S.PP | 2907 |
| | S1.PP | 2927 |
| SADASHIV | S.PP | 2853 |
| | M.PP | 2910 |
| SANGAMNER | S.PP | 2897.00-2905.00 |
| | S1.PP | 3021.00-3025.00 |
| BHAWANI SANSAR | S.PP | 2878 |
| DAUND | S.PP | 2895 |
| | S1.PP | 2905 |
| BHAWANI | S.PP | 2878 |
| SANT DAMAJI | S.PP | 2848 |
| | S.JB | 2873 |
| PANDHARPUR | S1.PP | 2933.00-2938.00 |
| | M/30 | 3060 |
| MAKAI | S.PP | 2873.00-2878.00 |
| | M/30 | 3003 |

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