

## Sugar & Gur Domestic & International Fundamentals

- Mixed sentiments recorded in key sugar spot markets on Monday as markets couldn't find adequate cues to decide the prices either side.
- 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	-20.00	2960.00	2975.00	2960.00	2967.00
Oct-13	-23.00	2998.00	3000.00	2947.00	2969.00
Nov-13	-18.00	3010.00	3010.00	2973.00	2981.00

Contract	Volume	Change	OI	Change
Sept-13	340	-1320	2650	-370
Oct-13	3550	3250	11270	-270
Nov-13	2240	1640	9390	290

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

Stocks	Demat 14.9.13	In-Process 14.9.13	Total 14.9.13	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	7.5	1174	1182	1174	1175.0
Nov-13	-10.5	1140	1143	1130	1131.0
Dec-13	-4	1083	1085.5	1055.5	1080.0

Contract	Volume	Change	OI	Change
Sept-13	330	-3570	4210	-330
Nov-13	1940	380	4440	-100
Dec-13	460	200	960	40

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 2<sup>nd</sup> 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	<b>379.25</b>	-
Raw Sugar C&F (\$/MT)	Black Sea	<b>409.25</b>	-
Sugar White FOB (\$/MT)	Santos Port	<b>472.75</b>	-

### 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
		16-Sep-2013	14-Sep-2013	
Sugar	Delhi - Grade M	3175	3180	-5
	Delhi - Grade S	3110	3110	Unch
	Delhi - Grade L	--	--	--
	UP- Khatauli Grade M	3150	--	--
	UP- Ramala Grade M	3160	--	--
	UP- Dhampur Grade M Ex-Mill	3025	3015	10
	UP- Dhampur Grade S Ex-Mill	3005	2995	10
	UP- Dhampur Grade L Ex-Mill	3075	3065	10
	Mumbai –Grade M	3372	3382	-10
	Mumbai –Grade S	3062	3087	-25
	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	3350	3250	--
	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)

		16-Sep-2013	14-Sep-2013	Change
Muzaffar Nagar	Chaku	2925	2875	50
	Khurpa	--	--	--
	Laddu	2800	2900	-100
	Rascut	2625	2612	13
Maharashtra	Lal Variety	3250	3250	Unch
Bangalore	Achhu	3000	--	--

	Mudde	3600	--	--
<b>Belgaum</b>	Mudde	2900	2900	--
<b>Belthangadi</b>	Yellow (Average)	2800	--	--
<b>Bijapur</b>	Achhu	3100	--	--
<b>Gulbarga</b>	Other (Average)	3100	3200	--
<b>Mahalingapura</b>	Penti (Average)	3080	--	--
<b>Mandya</b>	Achhu (Medium)	2850	3000	<b>-150</b>
	Kurikatu (Medium)	2450	2450	<b>Unch</b>
	Other (Medium)	2450	2400	<b>50</b>
	Yellow (Medium)	3000	2800	<b>200</b>
<b>Shimoga</b>	Achhu (Average)	3475	--	--

**UP Private Mills Tender Rates**

Centre	Origin/Grade	16-Sep-2013	14-Sep-2013	Change
Dorala	M-30	3055	3045	<b>10</b>
Mawana	M-30	3070	3065	<b>5</b>
Khatauli	M-30	3045	3050	<b>-5</b>
Modinagar	M-30	--	--	--
Malakpur	M-30	3005	3005	<b>Unch</b>
Simbholi	M-30	3135	3135	<b>Unch</b>
Asamoli	M-30	3125	3130	<b>-5</b>
Dhanora	M-30	3040	3070	<b>-30</b>
Dhampur	M-30	3000	3020	<b>-20</b>
Kinnoni	M-31	3150	3150	<b>Unch</b>
Budhana	M-31	3115	3120	<b>-5</b>
Thanabhavan	M-31	3085	3085	<b>Unch</b>

**UP Cooperative Mills Tender Rates**

Centre	Origin/Grade	16-Sep-2013	14-Sep-2013	Change
Baghpat	M-30	2985	2990	<b>-5</b>
Gajraula	M-30	2970	2980	<b>-10</b>
BulandShahar	M-30	2945	2965	<b>-20</b>
Anupshahar	M-30	2960	2970	<b>-10</b>

**UP Government Mills Tender Rates**

Centre	Origin/Grade	16-Sep-2013	14-Sep-2013	Change
Morna	M-30	2985	3000	<b>-15</b>
Nanotha	M-30	2970	2985	<b>-15</b>
Nazibabad	M-30	2970	2975	<b>-5</b>
Sakoti	M-30	2970	2980	<b>-10</b>
Amroha	M-30	--	--	--
Chandpur	M-31	2945	2965	<b>-20</b>

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	9/14/13
BHOGAWATI	S.PP	2908
	M.PP	3068
ADINATH	S.PP-JK	2858.00-2868.00
	M.PP	2898
BHIMA TAKLI	S.PP	2908
	M.PP	3018
VIGHNAHAR	S.PP	2915
	M.PP	3015
ANURAJ	S.PP	2920
	M.PP	3020
MANJARA	S.PP	2923.00-2928.00
	M.PP	3068.00-3073.00

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