

Sugar & Gur Domestic & International Fundamentals

- Steady to weak sentiments recorded in key sugar spot markets on Thursday due to weak sugar demand from retailers.
- As per by Ministry of Agriculture, The total sugarcane Kharif sown area, as per reports received from States, during the week ending 11.10.2013 stands at 48.74 lakh hectare as compared to 50.06 lakh hectare at this time last year which is down about 1.32 lakh hectare from previous year. However against it ISMA projected total sugarcane acreage for crushing in India in sugar season 2013-14, will be around 52.89 lakh hectare which is almost 9% higher than the initial estimates of Ministry of Agriculture of 48.53 lakh hectare.
- Recent hike in International sugar prices thanks to wet conditions decrease the sugarcane production in Brazil for 2013-14. This hike in sugar prices would give some boost to sugar export from India.
- Sugar export business likely to get boost in the coming years considering increasing amount of refineries near to ports. Presently, Shree Renuka Sugars become the leader in India as far as sugar refineries are concerned. It is notable that it has imported raw sugar at very reasonable rates from its Brazilian unit and then refines it here for re-export purpose.
- DGFT suggests relaxation of sugar export norms of around 2-2.5 million tons. It means an exporter now doesn't need to register for sugar export until sugar export reaches 2-2.5 million.
- Gur prices are moving in a range from last couple of weeks in Muzaffar nagar spot market. However, overall sentiments remained bearish as expected delay in crushing season by UP millers might urge farmers to divert their cane for making gur.

Outlook: We expect price to move in a narrow range. Fresh buying interest may emerge at lower level.

NCDEX Sugar Future Quotes:

Contract	+/-	Open	High	Low	Close
Oct-13	-17.00	2820.00	2823.00	2800.00	2823.00
Nov-13	-2.00	2896.00	2896.00	2885.00	2891.00
Dec-13	-1.00	2885.00	2886.00	2882.00	2883.00

Contract	Volume	Change	OI	Change
Oct-13	90	-40	190	0
Nov-13	2,500	-600	28810	-940
Dec-13	630	-90	10060	190

Spread	Oct-13	Nov-13	Dec-13
Basis	75		
Oct-13		69	58
Nov-13			-11

Stocks	Demat 15.10.13	In-Process 15.10.13	Total 15.10.13	FED 14.10.13
Kolhapur M	1099	0	1099	1099
Kolhapur S	-	-	-	-
Sangli M	-	-	-	-
Delhi M	200	0	200	1331

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
13-Dec	501.20	507.60	499.40	506.90	6.80
14-Mar	499.00	504.90	496.20	504.00	6.80
14-May	499.20	507.50	499.00	506.90	6.30

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Nov-13	-25.00	1125.00	1127.50	1098.50	1100.00
Dec-13	-13.50	1061.00	1090.00	1044.00	1046.00
Jan-13	-10.00	1069.00	1072.50	1059.00	1060.50

Contract	Volume	Change	OI	Change
Nov-13	7,140	5910	7280	-250
Dec-13	3,290	3110	2860	-440
Jan-13	280	250	310	20

Spread	Nov-13	Dec-13	Jan-14
Basis	43.5		
Sept-13		-66	-53
Oct-13			13

Gur Stock Position	Chaku	Raskut	Papdi	Total
2013	101000	40000	36000	186000
2012	60000	45000	30000	157000

*Stock Positions stored in Warehouses are till 7th Oct 2013 (All figures in Bags 40 kg each)

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
13-Oct	18.71	19.04	18.63	19.01	0.31
14-Mar	18.59	18.88	18.51	18.86	0.27
14-May	18.47	18.74	18.40	18.71	0.24

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	405.25	-
Raw Sugar C&F (\$/MT)	Black Sea	434	-
Sugar White FOB (\$/MT)	Santos Port	500.75	-

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Dec'13/Mar'14	89.50	
Mar'14/Mar'14	85.00	
May'14/May'14	90.50	

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Contract	Close	+/-
Brazil Domestic Sugar	19.95	
Brazil Anhydrous	18.37	
Brazil Hydrous	17.90	

Sugar and Gur Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		10/17/2013	10/15/2013	
Sugar	Delhi - Grade M	3175	3185	-10
	Delhi - Grade S	3125	3145	-20
	Delhi - Grade L	3200	3220	-20
	UP- Khatauli Grade M	3100	3095	5
	UP- Ramala Grade M	3105	3105	Unch
	UP- Dhampur Grade M Ex-Mill	2970	2980	-10
	UP- Dhampur Grade S Ex-Mill	2950	2960	-10
	UP- Dhampur Grade L Ex-Mill	3020	3030	-10
	Mumbai –Grade M	3236	3226	10
	Mumbai –Grade S	2982	2996	-14
	Kolhapur – Grade M	2900	2900	Unch
	Kolhapur – Grade S	2800	2800	Unch
	Guhawati – Grade S	3106	3106	Unch
	Shillong – Grade S	3120	3120	Unch
	Vijayawada – Grade M	3500	3500	Unch
	Vijayawada- Grade S	3300	3300	Unch
	Nagpur – Grade M	3250	3250	Unch
	Nagpur – Grade S	3050	3050	Unch
	Kolkata – Grade M	NA	NA	-
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3100	3100	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	NA	NA	-
	Chennai - Grade S	3000	3000	Unch

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

Gur Spot Prices (Rs/Qtl)				
		10/17/2013	10/15/2013	Change
Muzaffar Nagar	Chaku	2950	2925	25
	Khurpa(New)	1240	1250	-10
	Laddoo(New)	1265	1300	-35
	Rascut	2613	2863	-250
Maharashtra	Lal Variety	3275	3400	-125

Bangalore	Achhu	3400	3400	Unch
	Mudde	3600	3600	Unch
Belgaum	Mudde	2800	NA	-
Belthangadi	Yellow (Average)	2900	2900	Unch
Bijapur	Achhu	3150	3200	-50
Gulbarga	Other (Average)	NA	3000	-
Mahalingapura	Penti (Average)	3060	3080	-20
Mandya	Achhu (Medium)	3000	2900	100
	Kurikatu (Medium)	2500	2500	Unch
	Other (Medium)	2600	2550	50
	Yellow (Medium)	2850	2800	50
Shimoga	Achhu (Average)	3450	3350	100

UP Private Mills Tender Rates				
Centre	Origin/Grade	10/17/2013	10/15/2013	Change
Dorala	M-30	3005	3010	-5
Mawana	M-30	3035	3030	5
Khatauli	M-30	3000	2990	10
Modinagar	M-30	NA	NA	-
Malakpur	M-30	2950	2980	-30
Simbholi	M-30	3165	3160	5
Asamoli	M-30	3160	3155	5
Dhanora	M-30	2970	2965	5
Dhampur	M-30	2960	2960	Unch
Kinnoni	M-31	3210	3190	20
Budhana	M-31	3000	2950	50
Thanabhavan	M-31	2990	2980	10

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	10/17/2013	10/15/2013	Change
Baghpat	M-30	2910	2915	-5
Gajraula	M-30	2900	2895	5
BulandShahar	M-30	NA	NA	-
Anupshahar	M-30	2890	2890	Unch

UP Government Mills Tender Rates				
Centre	Origin/Grade	10/17/2013	10/15/2013	Change
Morna	M-30	2915	2915	Unch
Nanotha	M-30	2905	2905	Unch
Nazibabad	M-30	2900	2900	Unch
Sakoti	M-30	2900	2910	-10
Amroha	M-30	NA	NA	-
Chandpur	M-31	2900	2900	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	10/15/13
JAYWANT	S1.PP	2745
D.Y. PATIL	S1.PP	2730
	S1.JK	2740

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