

## Sugar & Gur Domestic & International Fundamentals

- Sugar prices improved today in key spot markets on Monday due to concern over decline in sugar production for 2013-14 marketing year due to delay in cane crushing operations by millers.
- Sugar future prices tumbled down sharply in Ncdex platform but it is not supporting by spot prices which clearly indicating that prices of sugar is not bearish and likely to correct in the coming days as expected.
- UP government able to make UP millers agree to start their cane crushing operations for 2013-14. It is notable that government gives some relief to millers by removing 2% entry tax levied on sugar mills. In addition to it, government allows sugar mills to pay sugarcane payment to farmers in two tranches.
- Dry weather conditions in India as well as Brazil favors sugarcane harvesting.
- Indian sugar consumption could reach upto 30 million tons by 2020, according to ISMA director. However, according to Agriwatch estimates, it should reach before 2020 considering Y-o-Y growth of sugar consumption levels in India.
- Iran trade embargo are likely to remove the trade benefits for India as now Iranian traders could trade commodities from other southeast countries like Pakistan, Thailand etc which can provide it cheaper sugar and other commodities.
- Gur prices improved sharply today in key Muzaffar nagar spot market in anticipation of start of cane crushing operations soon by millers. However, overall sentiments are weak and prices should continue to break in the coming days.
- Delay in crushing of sugarcane by millers would urge farmers to divert their cane towards gur production which would increase the gur production in the current marketing year as expected.**

**Outlook:** With delay in sugarcane crushing operations by mills, sugar output is likely to decline for the coming marketing year which would increase the sugar prices in the coming days as expected.

### NCDEX Sugar Future Quotes:

Contract	+/-	Open	High	Low	Close
Dec-13	-40.00	2827.00	2829.00	2775.00	2786.00
Jan-14	-20.00	2834.00	2838.00	2794.00	2809.00
Feb-14	-16.00	2843.00	2843.00	2807.00	2822.00

Contract	Volume	Change	OI	Change
Dec-13	3180	2640	11630	-120
Jan-14	4010	2280	22930	310
Feb-14	2410	1820	13990	640

Spread	Dec-13	Jan-14	Feb-14
Basis	114		
Dec-13		23	36
Jan-14			13

Stocks	Demat 30.11.13	In-Process 30.11.13	Total 30.11.13	FED 25.11.13
Kolhapur M	-	-	-	-
Kolhapur S	-	-	-	-
Sangli M	1200	0	1200	1200
Delhi M	979	0	979	979

### LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
13-Dec	461.60	464.80	458.00	464.00	+3.60
14-Mar	467.10	470.00	465.00	469.70	+2.30
14-May	471.20	476.00	470.00	474.40	+2.40

### NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Dec-13	34.00	990.00	1012.00	988.00	1011.00
Jan-13	25.50	1040.00	1054.00	1037.00	1053.50
Mar-13	26.00	1053.00	1070.00	1053.00	1070.00

Contract	Volume	Change	OI	Change
Dec-13	7800	6000	3840	-600
Jan-13	3820	3080	2350	-10
Mar-13	3530	2200	2530	500

Spread	Dec-13	Jan-14	Mar-14
Basis	-51		
Dec-13		42.5	59
Jan-13			16.5

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

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

### ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
14-Mar	17.25	17.29	17.15	17.15	-0.07
14-May	17.32	17.38	17.22	17.24	-0.08
14-July	17.41	17.43	17.29	17.30	-0.08

## Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	367.75	-4.50
Raw Sugar C&F (\$/MT)	Black Sea	397.50	-4.50
Sugar White FOB (\$/MT)	Santos Port	458.75	-1.50

## Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
Dec'13/Mar'14	65	
Mar'14/Mar'14	78.75	
May'14/May'14	88	

## Brazil Sugar/ Ethanol Prices (In Cents/lb)

Contract	Close	+/-
Brazil Domestic Sugar	19.35	
Brazil Anhydrous	17.71	
Brazil Hydrous	16.69	

## Sugar and Jaggery (Gur) Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		2-Dec-2013	30-Nov-2013	
Sugar	Delhi - Grade M	3140	3120	20
	Delhi - Grade S	3050	3040	10
	Delhi - Grade L	-	-	-
	UP- Khatauli Grade M	-	3095	-
	UP- Ramala Grade M	-	2970	-
	UP- Dhampur Grade M Ex-Mill	3000	2950	50
	UP- Dhampur Grade S Ex-Mill	2980	2930	50
	UP- Dhampur Grade L Ex-Mill	3050	3000	50
	Mumbai –Grade M	3156	3156	Unch
	Mumbai –Grade S	2942	2942	Unch
	Kolhapur – Grade M	2900	2850	50
	Kolhapur – Grade S	2750	2750	Unch
	Guhawati – Grade S	3010	3010	Unch
	Shillong – Grade S	3070	3070	Unch
	Vijayawada – Grade M	3550	3550	Unch
	Vijayawada- Grade S	3250	3250	Unch
	Nagpur – Grade M	3200	3200	Unch
	Nagpur – Grade S	3000	3000	Unch
	Kolkata – Grade M	3270	-	-
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3100	3100	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	-	-	-
	Chennai - Grade S	2900	2900	Unch

-

Gur Spot Prices (Rs/Qtl)				
		2-Dec-2013	1-Dec-2013	Change
Muzaffar Nagar	Chaku	2400	2375	25
	Khurpa	2250	2125	125
	Laddu	2350	2313	37
	Rascut	-	-	-
Maharashtra	Lal Variety	2500	2500	Unch

<b>Bangalore</b>	Achhu	-	-	-
	Mudde	3100	3100	Unch
<b>Belgaum</b>	Mudde	3100	-	-
<b>Belthangadi</b>	Yellow (Average)	3100	-	-
<b>Bijapur</b>	Achhu	2780	2765	15
<b>Gulbarga</b>	Other (Average)	-	3050	-
<b>Mahalingapura</b>	Penti (Average)	-	-	-
<b>Mandya</b>	Achhu (Medium)	2700	2700	Unch
	Kurikatu (Medium)	2400	2400	Unch
	Other (Medium)	2450	2450	Unch
	Yellow (Medium)	2700	2700	Unch
<b>Shimoga</b>	Achhu (Average)	-	3250	-

UP Private Mills Tender Rates				
Centre	Origin/Grade	2-Dec-2013	1-Dec-2013	Change
Dorala	M-30	3060	3045	15
Mawana	M-30	-	2920	-
Khatauli	2995	3025	2995	30
Modinagar	M-30	-	-	-
Malakpur	M-30	2965	2965	Unch
Simbholi	M-30	3260	3260	Unch
Asamoli	M-30	3190	3195	-5
Dhanora	M-30	2900	2990	-90
Dhampur	M-30	2980	2970	10
Kinnoni	M-31	3310	3325	-15
Budhana	M-31	3010	2995	15
Thanabhavan	M-31	2885	2995	-110

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	2-Dec-2013	1-Dec-2013	Change
Ramala	M-30	2885	2885	Unch
Baghpat	M-30	2895	2895	Unch
Gajraula	M-30	2875	2875	Unch
BulandShahar	M-30	NA	-	-
Anupshahar	M-30	2860	2860	Unch

-				
Centre	Origin/Grade	2-Dec-2013	1-Dec-2013	Change
Morna	M-30	2895	2895	Unch
Nanotha	M-30	2885	2885	Unch
Nazibabad	M-30	2875	2875	Unch
Sakoti	M-30	2890	2890	Unch
Amroha	M-30	NA	-	-
Chandpur	M-31	2875	2875	Unch

**Disclaimer**

The information and opinions contained in the document have been compiled from sources believed to be reliable. The company does not warrant its accuracy, completeness and correctness. Use of data and information contained in this report is at your own risk. This document is not, and should not be construed as, an offer to sell or solicitation to buy any commodities. This document may not be reproduced, distributed or published, in whole or in part, by any recipient hereof for any purpose without prior permission from the Company. IASL and its affiliates and/or their officers, directors and employees may have positions in any commodities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such commodities (or investment). Please see the detailed disclaimer at <http://www.agriwatch.com/Disclaimer.php>

© 2013 Indian Agribusiness Systems Pvt Ltd.