

## Sugar & Gur Domestic & International Fundamentals

- Mixed sentiments recorded in key sugar spot markets on Wednesday.
- UP sugar mills are ready to start their cane crushing operations as soon as possible. As per UP cane managers of various mills, recovery of sugar from sugarcane is likely to increase as late harvesting gives time to the sugarcane to grow resulted in better yield as well recovery.
- India is offering \$480 per ton FOB prices which is \$25 higher than LIFFE March futures. However, there is no export parity at current FOB prices; however, we expect international prices to improve as is it already ruling at lower levels. Slight improvement in international prices may open export window for India as Indian prices are at its lowest levels.**
- Thailand has finally started its cane crushing operations for 2013-14 season after delay due to rainfall. Thai mills have crushed 479000 tons of cane so far which is down from 2.2 million tons cane crushed by millers at last year same period.
- Thai raw sugar premium stood at 75 to 80 points over March ICE raw sugar futures.
- 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.
- Gur prices declined today in key Muzaffar nagar spot market 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	-13.00	2754.00	2760.00	2740.00	2745.00
Jan-14	-10.00	2798.00	2798.00	2775.00	2787.00
Feb-14	-9.00	2810.00	2810.00	2794.00	2800.00

Contract	Volume	Change	OI	Change
Dec-13	1820	-430	10550	-470
Jan-14	3210	-40	23830	90
Feb-14	1620	90	14710	320

Spread	Dec-13	Jan-14	Feb-14
Basis	119		
Dec-13		43	54
Jan-14			11

Stocks	Demat 03.12.13	In-Process 03.12.13	Total 03.12.13	FED 02.12.13
Sangli S	1200	0	1200	1200
Delhi M	979	0	979	979
Solapur M	390	0	390	390
Solapur S	150	0	150	150

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

Contract	Open	High	Low	Close	+/-
13-Dec	454.10	454.60	452.00	452.10	-2.90
14-Mar	462.30	462.30	459.60	460.10	-2.80
14-May	468.20	468.20	465.60	465.90	-2.90

### NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Dec-13	10.00	1004.00	1017.50	1003.00	1014.00
Jan-13	10.00	1041.00	1053.00	1040.00	1051.00
Mar-13	9.00	1062.00	1073.00	1062.00	1069.00

Contract	Volume	Change	OI	Change
Dec-13	3790	-860	3190	-30
Jan-13	2880	610	2210	-190
Mar-13	2290	-550	3540	360

Spread	Dec-13	Jan-14	Mar-14
Basis	-33		
Dec-13		37.5	57.5
Jan-13			20

Gur Stock Position	Chaku	Raskut	Papdi	Total
2013	-	-		
2012	30000	20500	28000	67000

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

Contract	Open	High	Low	Close	+/-
14-Mar	16.95	16.97	16.80	16.81	-0.16
14-May	17.11	17.11	16.91	16.94	-0.15
14-July	17.22	17.22	17.02	17.06	-0.12

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

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	357.5	+0.50
Raw Sugar C&F (\$/MT)	Black Sea	387.25	+0.25
Sugar White FOB (\$/MT)	Santos Port	452	-0.75

## 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
		4-Dec-2013	3-Dec-2013	
Sugar	Delhi - Grade M	3125	3125	Unch
	Delhi - Grade S	3040	3050	-10
	Delhi - Grade L	-	-	-
	UP- Khatauli Grade M	3130	3130	Unch
	UP- Ramala Grade M	2970	2970	Unch
	UP- Dhampur Grade M Ex-Mill	3000	3000	Unch
	UP- Dhampur Grade S Ex-Mill	2980	2980	Unch
	UP- Dhampur Grade L Ex-Mill	3050	3050	Unch
	Mumbai –Grade M	3082	3142	-60
	Mumbai –Grade S	2942	2942	Unch
	Kolhapur – Grade M	2900	2875	25
	Kolhapur – Grade S	2750	2725	25
	Guhawati – Grade S	3010	2985	25
	Shillong – Grade S	3070	3045	25
	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	3180	3200	-20
	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)

		4-Dec-2013	3-Dec-2013	Change
Muzaffar Nagar	Chaku	2375	2425	-50
	Arrivals	10000	15000	-5000
	Khurpa	2300	2250	50
	Laddu	2400	2375	25
	Rascut	2263	2258	5

<b>Seyana</b>	Chaurasa	2200	2188	<b>12</b>
<b>Hapur</b>	Balti	2150	2138	<b>12</b>
<b>Maharashtra</b>	Lal Variety	2600	2500	<b>100</b>
<b>Bangalore</b>	Achhu	-	-	-
	Mudde	3100	3100	<b>Unch</b>
<b>Belgaum</b>	Mudde	3000	-	-
<b>Belthangadi</b>	Yellow (Average)	-	3100	-
<b>Bijapur</b>	Achhu	-	-	-
<b>Gulbarga</b>	Other (Average)	3250	3100	<b>150</b>
<b>Mahalingapura</b>	Penti (Average)	2810	2650	<b>160</b>
<b>Mandya</b>	Achhu (Medium)	2750	2750	<b>Unch</b>
	Kurikatu (Medium)	2400	2400	<b>Unch</b>
	Other (Medium)	2400	2400	<b>Unch</b>
	Yellow (Medium)	2700	2700	<b>Unch</b>
<b>Shimoga</b>	Achhu (Average)	-	2850	-

UP Private Mills Tender Rates				
Centre	Origin/Grade	4-Dec-2013	3-Dec-2013	Change
Dorala	M-30	NA	3060	-
Mawana	M-30	NA	-	-
Khatauli	2995	NA	3025	-
Modinagar	M-30	NA	-	-
Malakpur	M-30	NA	2965	-
Simbholi	M-30	NA	3260	-
Asamoli	M-30	NA	3190	-
Dhanora	M-30	NA	2900	-
Dhampur	M-30	NA	2980	-
Kinnoni	M-31	NA	3310	-
Budhana	M-31	NA	3010	-
Thanabhavan	M-31	NA	3010	-
UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	4-Dec-2013	3-Dec-2013	Change
Ramala	M-30	NA	2885	-
Baghpat	M-30	NA	2895	-
Gajraula	M-30	NA	2875	-
BulandShahar	M-30	NA	NA	-
Anupshahar	M-30	NA	2860	-
UP Government Mills Tender Rates				
Centre	Origin/Grade	4-Dec-2013	3-Dec-2013	Change
Morna	M-30	NA	2895	-
Nanotha	M-30	NA	2885	-
Nazibabad	M-30	NA	2875	-

Sakoti	M-30	NA	2890	-
Amroha	M-30	NA	NA	-
Chandpur	M-31	NA	2875	-

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	2-12-2013
HUTATMA	S1.PP	2768
	S2.JK	2753
DATT SHIROL	S2.JK	2698
KUMBHI	S1.PP	2778
	S2.JK	2723
WARANA	S1.PP	2698

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