

Sugar & Gur Domestic & International Fundamentals

- Mixed sentiments recorded in key sugar spot markets on Monday as markets could not find adequate cues to decide the prices either side.
- Food Minister today would write to prime minister to make a buffer stock for sugar industry. He also propose to increase the sugar import duty to curb raw sugar imports from Brazil.
- Brazil has exported 2.26 million tons of sugar in November 2013 which is down from 2.62 million tons in the previous month.
- 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.
- Gur prices improved 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	-7.00	2749.00	2765.00	2720.00	2724.00
Jan-14	0.00	2786.00	2790.00	2778.00	2784.00
Feb-14	-3.00	2795.00	2805.00	2788.00	2794.00

Contract	Volume	Change	OI	Change
Dec-13	1620	590	9220	-670
Jan-14	5030	3910	24610	550
Feb-14	2380	1730	15120	480

Spread	Dec-13	Jan-14	Feb-14
Basis	110		
Dec-13		57	63
Jan-14			6

Stocks	Demat 07.12.13	In-Process 07.12.13	Total 07.12.13	FED 02.12.13
Sangli S	1200	0	1200	1200
Delhi M	979	0	979	979
Solapur M	390	0	390	390
Solapur S	0	0	0	150

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
13-Dec	450.70	454.30	448.00	448.70	-1.20
14-Mar	459.10	461.00	455.10	456.20	-1.10
14-May	464.10	464.70	460.80	462.50	-0.30

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Dec-13	-3.50	1068.50	1071.00	1064.00	1068.00
Jan-13	-2.00	1016.00	1020.00	1012.50	1017.00
Mar-13	-0.50	1050.50	1054.50	1043.50	1052.00

Contract	Volume	Change	OI	Change
Dec-13	1790	-1060	2400	-170
Jan-13	3080	1290	2850	390
Mar-13	3280	800	3630	90

Spread	Dec-13	Jan-14	Mar-14
Basis	-15		
Dec-13		35	60
Jan-13			25

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	16.78	16.84	16.56	16.59	-0.10
14-May	16.81	16.94	16.69	16.72	-0.08
14-July	16.92	17.05	16.84	16.87	-0.04

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	355.50	-
Raw Sugar C&F (\$/MT)	Black Sea	385.25	-
Sugar White FOB (\$/MT)	Santos Port	451.00	-

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
		9-Dec-2013	6-Dec-2013	
Sugar	Delhi - Grade M	3115	3110	5
	Delhi - Grade S	3040	3050	-10
	Delhi - Grade L	-	-	-
	UP- Khatauli Grade M	-	3135	-
	UP- Ramala Grade M	-	2970	-
	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	3196	3202	-6
	Mumbai –Grade S	2920	2926	-6
	Kolhapur – Grade M	2950	2850	100
	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	3290	3290	Unch
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3100	3100	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	-	-	-
	Chennai - Grade S	2900	2900	Unch

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Gur Spot Prices (Rs/Qtl)				
		9-Dec-2013	8-Dec-2013	Change
Muzaffar Nagar	Chaku	2500	2488	12
	Arrivals	15000	10000	5000
	Khurpa	2313	2314	-1
	Laddu	2500	2475	25
	Rascut	2263	2275	-12

Seyana	Chaurasa	-	2303	-
Hapur	Balti	-	2400	-
Maharashtra	Lal Variety	2700	2600	100
Bangalore	Achhu	-	-	-
	Mudde	3300	3300	Unch
Belgaum	Mudde	2800	2800	Unch
Belthangadi	Yellow (Average)	3100	3100	Unch
Bijapur	Achhu	3000	2900	100
Gulbarga	Other (Average)	2900	3050	-150
Mahalingapura	Penti (Average)	2860	2710	150
Mandya	Achhu (Medium)	2750	2750	Unch
	Kurikatu (Medium)	2400	2400	Unch
	Other (Medium)	2400	2400	Unch
	Yellow (Medium)	2700	2700	Unch
Shimoga	Achhu (Average)	2850	2900	-50

UP Private Mills Tender Rates

Centre	Origin/Grade	9-Dec-2013	8-Dec-2013	Change
Dorala	M-30	3070	3070	Unch
Mawana	M-30	NA	NA	-
Khatauli	2995	3040	3040	Unch
Modinagar	M-30	NA	NA	-
Malakpur	M-30	2990	2990	Unch
Simbholi	M-30	3260	3260	Unch
Asamoli	M-30	3190	3190	Unch
Dhanora	M-30	2910	2910	Unch
Dhampur	M-30	2990	2990	Unch
Kinnoni	M-31	3290	3290	Unch
Budhana	M-31	3020	3020	Unch
Thanabhavan	M-31	3020	3020	Unch

UP Cooperative Mills Tender Rates

Centre	Origin/Grade	9-Dec-2013	8-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	NA	-
Anupshahar	M-30	2860	2860	Unch

UP Government Mills Tender Rates

Centre	Origin/Grade	9-Dec-2013	8-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	NA	-
Chandpur	M-31	2875	2875	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	9-12-2013
WARANA	S.PP	2738
	M.P.P	2940

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