

Sugar & Gur Domestic & International Fundamentals

- Prices of sugar are trading steady to weak due to sluggish demand.
- Government today approved the guidelines for bailout package of Rs. 6600 crore to the sugar industry so that millers can clear the sugarcane arrears. It is notable that sugar millers are suffering from recent crash in sugar prices in both domestic as well in International markets which put them in great trouble to clear cane arrears. Prices of sugar this year declined by 15% Y-o-Y basis while it is down by 20% for raw sugar in ICE exchange. Higher degree of decline in sugar prices especially in International Raw sugar market (ICE) compared to domestic markets unable Indian exporters to export sugar due to disparity. Just opposite to it, sugar refiners like Shree renuka sugars import raw sugar at cheaper rates from its Brazilian units which also curb any hike in sugar prices.
- Millers are now seeking for export subsidy from government as top sugar producing nations like Brazil and Thailand snatch the export opportunity from Indian exporters due to lower prices quoted by them. If government gives export subsidy to millers then they can able to export sugar to some sugar importing nations like Sri lanka, Bangladesh and Iran.
- Gur prices trading higher today in key Muzaffar nagar spot market due to good demand from domestic markets.
- Total around 210505 bags of 40 kg each of gur stored in warehouses presently which are lower by 70190 bags compared to last year same period gur stock position in warehouses.

Outlook: Sugar prices are falling like anything and likely to continue its downtrend for the coming weeks.

NCDEX Sugar Future Quotes:

Contract	+/-	Open	High	Low	Close
Jan-14	1.00	2808.00	2810.00	2800.00	2803.00
Feb-14	6.00	2785.00	2790.00	2785.00	2789.00
Mar-14	6.00	2787.00	2790.00	2784.00	2789.00

Contract	Volume	Change	OI	Change
Jan-14	2680	-680	24290	-70
Feb-14	2250	680	17750	1620
Mar-14	260	-810	18170	100

Spread	Jan-14	Feb-14	Mar-14
Basis	97		
Jan-14		-14	-14
Feb-14			0

Stocks	Demat 27.12.13	In-Process 27.12.13	Total 27.12.13	FED 23.12.13
Sangli S	0	0	0	0
Delhi M	479	0	479	479
Solapur M	220	0	220	250
Solapur S	-	-	-	-

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
13-Dec	445	448.1	443.5	447	3.6
14-Mar	451.8	455	450.8	454.5	3.5
14-May	457.6	459.9	456.4	459.9	3

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Jan-13	-6.50	1052.50	1054.00	1047.00	1049.00
Mar-13	-7.00	1048.00	1048.00	1041.50	1043.50
Jul-13	-10.50	1181.00	1182.00	1175.00	1175.50

Contract	Volume	Change	OI	Change
Jan-13	3590	1710	4540	2300
Mar-13	3420	-960	6390	1510
Jul-13	1200	-3960	2240	-4260

Spread	Jan-14	Mar-14	July-14
Basis	-49		
Jan-13		-5.5	126.5
Feb-13			132

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

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
14-Mar	16.32	16.49	16.29	16.43	0.14
14-May	16.45	16.62	16.44	16.56	0.13
14-July	16.64	16.78	16.62	16.73	0.11

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	351.25	-
Raw Sugar C&F (\$/MT)	Black Sea	389.25	-
Sugar White FOB (\$/MT)	Santos Port	442.00	-

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
		28-Dec-2013	27-Dec-2013	
Sugar	Delhi - Grade M	2990	2990	Unch
	Delhi - Grade S	2920	2940	-20
	Delhi - Grade L	3040	3060	-20
	UP- Khatauli Grade M	3025	3025	Unch
	UP- Ramala Grade M	2930	2930	Unch
	UP- Dhampur Grade M Ex-Mill	-	-	-
	UP- Dhampur Grade S Ex-Mill	-	-	-
	UP- Dhampur Grade L Ex-Mill	-	-	-
	Mumbai –Grade M	3132	3132	Unch
	Mumbai –Grade S	2866	2866	Unch
	Kolhapur – Grade M	2900	2900	Unch
	Kolhapur – Grade S	2750	2750	Unch
	Guhawati – Grade S	3010	3010	Unch
	Shillong – Grade S	3070	3070	Unch
	Vijayawada – Grade M	3360	3360	Unch
	Vijayawada- Grade S	3200	3200	Unch
	Nagpur – Grade M	3200	3200	Unch
	Nagpur – Grade S	3000	3000	Unch
	Kolkata – Grade M	3140	3170	-30
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3100	3100	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	-	-	-
	Chennai - Grade S	2890	2890	Unch

Gur Spot Prices (Rs/Qtl)

		28-Dec-2013	27-Dec-2013	Change
Muzaffar Nagar	Chaku	2500	2775	-275
	Arrivals	15000	10000	5000

	Khurpa	2375	2375	Unch
	Laddu	2575	2625	-50
	Rascut	2312	2250	62
Seyana	Chaurasa	2350	2450	-100
Hapur	Balti	2400	2400	Unch
Maharashtra	Lal Variety	2750	2700	50
Bangalore	Achhu	-	-	-
	Mudde	3200	3200	Unch
Belgaum	Mudde	-	2900	-
Belthangadi	Yellow (Average)	-	3000	-
Bijapur	Achhu	-	2700	-
Gulbarga	Other (Average)	3050	2950	100
Mahalingapur a	Penti (Average)	-	2910	-
Mandya	Achhu (Medium)	2800	2850	-50
	Kurikatu (Medium)	2400	2400	Unch
	Other (Medium)	2400	2400	Unch
	Yellow (Medium)	2800	2850	-50
Shimoga	Achhu (Average)	3300	-	-

UP Private Mills Tender Rates

Centre	Origin/Grade	28-Dec-2013	27-Dec-2013	Change
Dorala	M-30	2965	2965	Unch
Mawana	M-30	2975	2975	Unch
Khatauli	2995	2820	2820	Unch
Modinagar	M-30	2935	2935	Unch
Malakpur	M-30	2925	2925	Unch
Simbholi	M-30	3180	3180	Unch
Asamoli	M-30	3150	3150	Unch
Dhanora	M-30	2945	2945	Unch
Dhampur	M-30	2910	2910	Unch
Kinnoni	M-31	3070	3070	Unch
Budhana	M-31	2980	2980	Unch
Thanabhavan	M-31	2980	2980	Unch

UP Cooperative Mills Tender Rates

Centre	Origin/Grade	28-Dec-2013	27-Dec-2013	Change
Ramala	M-30	2820	2820	Unch
Baghpat	M-30	2830	2830	Unch
Gajraula	M-30	2835	2835	Unch
BulandShahar	M-30	2905	2905	Unch
Anupshahar	M-30	2800	2800	Unch

UP Government Mills Tender Rates

Centre	Origin/Grade	28-Dec-2013	27-Dec-2013	Change
Morna	M-30	2820	2820	Unch
Nanotha	M-30	2820	2820	Unch
Nazibabad	M-30	2810	2810	Unch
Sakoti	M-30	2830	2830	Unch
Amroha	M-30	2905	2905	Unch
Chandpur	M-31	2905	2905	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	12/27/13
PANCHGANGA	S.PP	2705
	M.PP	2780
MAHATMA GANDHI	S.PP	2660
	S.JB	2670
VENKATESHWAR	S.PP	2835
	M.PP	2935
SHRIGONDA	S.PP	2695
	M.PP	2830
MALEGAON	S.PP	2700
	S.JB	2705
BARAMATI AGRO	S2.PP	2775
	S1.PP	2790
BHENDA	S.PP-S1.PP	2695.00-2770.00
	M.PP	2895
KOLPEWADI	S.PP	2722
	M.PP	2985
BHAWANI SHANKAR	S.PP-JK	2673.00-2783.00
	M.PP	2848
SILLOD	S.PP	2688
	NEW S.PP	2723
VITTHAL PANDHARPUR	S.PP-S1.PP	2651.00-2750.00
	M.PP	2873

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