

## 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.
- Thailand sugar mills have crushed 11.04 million tons of cane till 19<sup>th</sup> December which is still down from 12.07 million tons crushed by millers at the same period last year. Mills crushed less cane due to 10 days delay in starting up the sugar mills.
- 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 steady today in key Muzaffar nagar spot market. However, recent rainfall likely to obstruct the fresh gur arrivals in the markets which would result in increase in gur prices tomorrow.
- 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	3.00	2795.00	2813.00	2795.00	2806.00
Feb-14	0.00	2789.00	2796.00	2788.00	2789.00
Mar-14	3.00	2791.00	2794.00	2789.00	2792.00

Contract	Volume	Change	OI	Change
Jan-14	1560	-1120	23720	-570
Feb-14	2160	-90	16100	-1650
Mar-14	190	-70	18190	20

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	1046.00	1046.50	1038.00	1042.50
Mar-13	-2.50	1040.00	1041.50	1035.00	1041.00
Jul-13	1.50	1174.00	1178.00	1170.00	1177.00

Contract	Volume	Change	OI	Change
Jan-13	4660	1070	4460	-80
Mar-13	3740	320	6020	-370
Jul-13	1840	640	2480	240

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
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	356.25	+5.00
Raw Sugar C&F (\$/MT)	Black Sea	394.25	+5.00
Sugar White FOB (\$/MT)	Santos Port	446.00	+4.00

## 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
		30-Dec-2013	28-Dec-2013	
Sugar	Delhi - Grade M	2990	2990	Unch
	Delhi - Grade S	2940	2920	20
	Delhi - Grade L	3030	3040	-10
	UP- Khatauli Grade M	3080	3025	55
	UP- Ramala Grade M	2920	2930	-10
	UP- Dhampur Grade M Ex-Mill	2950	-	-
	UP- Dhampur Grade S Ex-Mill	2930	-	-
	UP- Dhampur Grade L Ex-Mill	3000	-	-
	Mumbai –Grade M	3132	3132	Unch
	Mumbai –Grade S	2892	2866	26
	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	3110	3140	-30
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3100	3100	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	-	-	-
	Chennai - Grade S	2820	2890	-70

## Gur Spot Prices (Rs/Qtl)

		30-Dec-2013	28-Dec-2013	Change
Muzaffar Nagar	Chaku	2500	2500	Unch
	Arrivals	15000	15000	Unch
	Khurpa	2375	2375	Unch

	Laddu	2563	2575	-12
	Rascut	2250	2314	-64
<b>Seyana</b>	Chaurasa	2350	2450	-100
<b>Hapur</b>	Balti	2400	2400	Unch
<b>Maharashtra</b>	Lal Variety	2750	2700	50
<b>Bangalore</b>	Achhu	-	-	-
	Mudde	3200	3200	Unch
<b>Belgaum</b>	Mudde	3000	3000	Unch
<b>Belthangadi</b>	Yellow (Average)	3000	3000	Unch
<b>Bijapur</b>	Achhu	2650	2800	-150
<b>Gulbarga</b>	Other (Average)	2850	3050	-200
<b>Mahalingapur a</b>	Penti (Average)	2850	-	-
<b>Mandya</b>	Achhu (Medium)	2850	2800	50
	Kurikatu (Medium)	2400	2400	Unch
	Other (Medium)	2400	2400	Unch
	Yellow (Medium)	2800	2800	Unch
<b>Shimoga</b>	Achhu (Average)	3250	3300	-50

UP Private Mills Tender Rates				
Centre	Origin/Grade	30-Dec-2013	28-Dec-2013	Change
Dorala	M-30	2940	2965	-25
Mawana	M-30	2940	2975	-35
Khatauli	2995	2800	2820	-20
Modinagar	M-30	2925	2935	-10
Malakpur	M-30	2910	2925	-15
Simbholi	M-30	3115	3180	-65
Asamoli	M-30	3115	3150	-35
Dhanora	M-30	2930	2945	-15
Dhampur	M-30	2910	2910	Unch
Kinnoni	M-31	3140	3070	70
Budhana	M-31	2975	2980	-5
Thanabhavan	M-31	2975	2980	-5
UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	30-Dec-2013	28-Dec-2013	Change
Ramala	M-30	2820	2820	Unch
Baghpat	M-30	2830	2830	Unch
Gajraula	M-30	2810	2835	-25
BulandShahar	M-30	2900	2905	-5
Anupshahar	M-30	2800	2800	Unch
UP Government Mills Tender Rates				
Centre	Origin/Grade	30-Dec-2013	28-Dec-2013	Change

Morna	M-30	2820	2820	Unch
Nanotha	M-30	2810	2820	-10
Nazibabad	M-30	2800	2810	-10
Sakoti	M-30	2810	2830	-20
Amroha	M-30	2890	2905	-15
Chandpur	M-31	2890	2905	-15

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	27-12-2013
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

### 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.