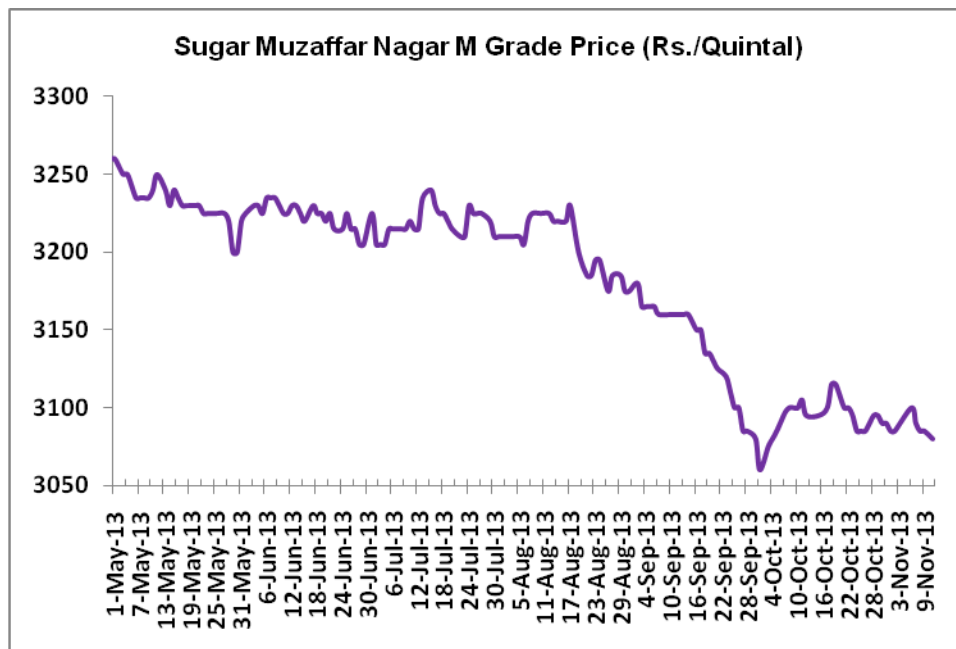


Sugar Price Trend and Outlook:

Prices of sugar not seems bullish at present with weak sugar buying from retail as well as wholesalers. In addition to it, increasing supply of sugar by millers also pressurize the prices.

**Domestic Sugar Price Outlook:**

Sugar prices are hovering near to its bottom levels. However, good news for millers is the raw sugar imports are not viable and imports are falling drastically M-o-M basis.

Recently, UP government is thinking to give some energy to the UP mills by linking sugarcane prices from sugar prices.

Considering upcoming festivals and expected delay in crushing season from UP mills will curb any further downside in the sugar prices. However, government policies would play important role which will decide the prices of sugar in future.

News Highlights:

- India has imported around 1.69 lac tons of raw sugar from Brazil in October 2013 as reported.
- UP millers are seeking some help from Supreme Court as they have appeal for the clarity in SAP prices by UP government.
- UP co-operative mills likely to start their crushing operations from 20th November as reported.
- UP chief minister give the deadline of 20th Nov to sugar mills to start their cane crushing operations.
- Farmers has sown sugarcane in 0.81 million hectares till 8th Nov 2013-14 which was 0.45 million hectares sowed at same period last year.

Sugarcane Sowing Update:

According to Ministry of Agriculture, Farmers has sown sugarcane in 0.81 million hectares till 8th Nov 2013-14 which was 0.45 million hectares sowed at same period last year.

Raw Sugar Import Opportunity:

Indian sugar refiners now slowly losing opportunity to import raw sugar from Brazil as higher degree of decrease in sugar prices in international markets compared to domestic markets decrease the import parity in case of sugar imports. In addition to it, govt. stand to increase raw sugar import duty to 15% also dampen the possibility of import.

Indian indicative raw sugar CIF prices from Brazil quoted at \$530.39 per ton (including 15% import duty) and Indian domestic refined sugar FOB prices quoted at \$474.28 per ton Kolhapur based.

Comparative raw sugar CIF prices from various sugar sourcing countries to India are mentioned in the table below:

Indicative Import Parity/ Disparity (USD/MT) (\$=Rs.63.57) till 11 th October 2013			
	From Brazil	From Thailand	
CIF India (USD/MT)	530.39	-	

Spot Sugar Prices Scenario (Weekly)

Spot Sugar Prices Scenario Weekly (Average)				
Commodity	Centre	9th-15th Nov	2nd-8th Nov	Change
Sugar	Delhi - Grade M	3098	3120	-22
	Delhi - Grade S	3052	3071	-19
	Delhi - Grade L	3138	3160	-22
	UP- Khatauli Grade M	3084	3090	-6
	UP- Ramala Grade M	2990	2996	-6
	UP- Dhampur Grade M Ex-Mill	3067	3000	67
	UP- Dhampur Grade S Ex-Mill	3047	2980	67
	UP- Dhampur Grade L Ex-Mill	3117	3050	67
	Mumbai –Grade M	3219	3186	33
	Mumbai –Grade S	2917	2906	11
	Kolhapur – Grade M	2892	2894	-2
	Kolhapur – Grade S	2766	2774	-8
	Guhawati – Grade S	3068	3079	-11
	Shillong – Grade S	3083	3094	-11
	Vijayawada – Grade M	3528	3500	28
	Vijayawada- Grade S	3250	3250	Unch
	Nagpur – Grade S	3042	3050	-8
	Kolkata – Grade M	3150	3173	-23

	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3100	3100	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	NA	NA	-
	Chennai - Grade S	2928	2937	-9

Spot Sugar Prices Scenario (Weekly)					
Commodity	Centre	Today	Week ago	Month ago	Year ago
		15-Nov-13	8-Nov-13	15-Oct-13	15-Nov-12
Delhi	Grade M	3090	3135	3185	3780
	Grade S	3030	3085	3145	NA
	Grade L	3130	3175	3220	3820
UP- Khatauli	Grade M	3080	3085	3095	NA
UP- Ramala	Grade M	2990	2995	3005	NA
UP- Dhampur	Grade M Ex-Mill	3100	3000	2980	NR
	Grade S Ex-Mill	3080	2980	2960	NR
	Grade L Ex-Mill	3150	3050	3030	NR
Mumbai	Grade M	3206	3176	3226	3781
	Grade S	2920	2922	2996	3651
Kolhapur	Grade M	2900	2900	2900	3600
	Grade S	2750	2775	2800	3500
Vijayawada	Grade M	3550	3500	3500	4050
	Grade S	3250	3250	3300	3900
Nagpur	Grade S	3000	3050	3250	3850
Kolkata	Grade M	3150	3250	NA	3780
Chennai	Grade S	2920	2960	3000	3600
Ambikapur (Chattisgarh)	Grade M (Without Duty)	3100	3100	3100	NR
	Grade S (Without Duty)	NA	NA	NA	NR

Gur Market Scenario and Outlook

Gur prices currently moving downwards due to fresh arrivals in the markets. Delay in cane crushing operations by UP millers bound farmers to sell their sugarcane crop to gur manufacturers at lower rates.

In addition to it, weak demand from Rajasthan and Gujarat also pressurize the gur prices in key mandis.

Overall price sentiments of gur are weak owing to higher gur production estimate this year. However, short term gain cant be ruled out in the prices in case government hike cane prices in UP.

Spot Jaggery(Gur) Prices Scenario (Weekly)

Gur Spot Prices Scenario Weekly (Average)				
Markets	Variety	9th-15th Nov	2nd-8th Nov	Change
Muzaffar Nagar	Chaku	2596	2775	-179
	Chaku (Arrival)	NA	NA	-
	Khurpa	2486	2466	20
	Laddu	2627	2722	-95
	Rascut	2542	2497	45
Maharashtra	Latur(Lal Variety)	2775	3600	-825
Bangalore	Achhu	3500	NA	-
	Mudde	3663	3950	-287
Belgaum	Mudde	2733	2700	33
Belthangadi	Yellow (Average)	3000	3000	Unch
Bijapur	Achhu	3067	NA	-
Gulbarga	Other (Average)	3080	3150	-70
Mahalingapura	Penti (Average)	2943	2950	-15
Mandya	Achhu (Medium)	2833	2900	-67
	Kurikatu (Medium)	2500	2500	Unch
	Other (Medium)	2533	2600	-67
	Yellow (Medium)	2750	2850	-100
Shimoga	Achhu (Average)	3294	3300	-16

Spot Jaggery(Gur) Prices Scenario (Weekly)					
Markets	Variety	Today	Week ago	Month ago	Year ago
		15-Nov-13	8-Nov-13	15-Oct-13	15-Nov-12
Muzaffar Nagar	Chaku	2575	2775	2925	Closed

	Khurpa(New)	2500	2375	3125	Closed
	Laddu(New)	2563	2525	3250	Closed
	Rascut	NA	2500	2863	Closed
Maharashtra	Latur(Lal Variety)	2750	3600	3400	Closed
Bangalore	Achhu	NA	NA	3400	3200
	Mudde	NA	3950	3600	3400
Belgaum	Mudde	NA	2700	NA	2900
Belthangadi	Yellow (Average)	NA	3000	2900	NA
Bijapur	Achhu	NA	NA	3200	3410
Gulbarga	Other (Average)	NA	3150	3000	3100
Mahalingapura	Penti (Average)	NA	2950	3080	NA
Mandya	Achhu (Medium)	NA	2900	2900	2900
	Kurikatu (Medium)	NA	2500	2500	2550
	Other (Medium)	NA	2600	2550	2500
	Yellow (Medium)	NA	2850	2800	2750
Shimoga	Achhu (Average)	NA	3300	3350	3160



Commodity: Sugar
Contract: December

Exchange: NCDEX
Expiry: Dec 20, 2013

SUGAR (Weekly December Contract Chart)



Technical Commentary:

- Sugar prices are hovering at oversold region and now moving in a downtrend.
- Last candlestick depicts bearishness.

Strategy: Sell

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Sugar	NCDEX	Dec	2630	2750	2827	2878	2915
Weekly Trade Call			Call	Entry	T1	T2	SL
Sugar	NCDEX	Dec	Sell	Below 2830	2810	2800	2840

Commodity: Gur
Contract: Dec

Exchange: NCDEX
Expiry: Dec 20, 2013

GUR (Dec Weekly Chart)



Technical Commentary:

- Gur prices are hovering in a downtrend as chart depicts.
- However, RSI is hovering at oversold region.
- Last candlesticks depict indecision.

Strategy: Buy

Weekly Supports & Resistances			S2	S1	PCP	R1	R2
Gur	NCDEX	Dec	911.5	966	993	1037.5	1054.5
Weekly Trade Call			Call	Entry	T1	T2	SL
Gur	NCDEX	Dec	Buy	Above 995	1005	1010	990

International Scenario

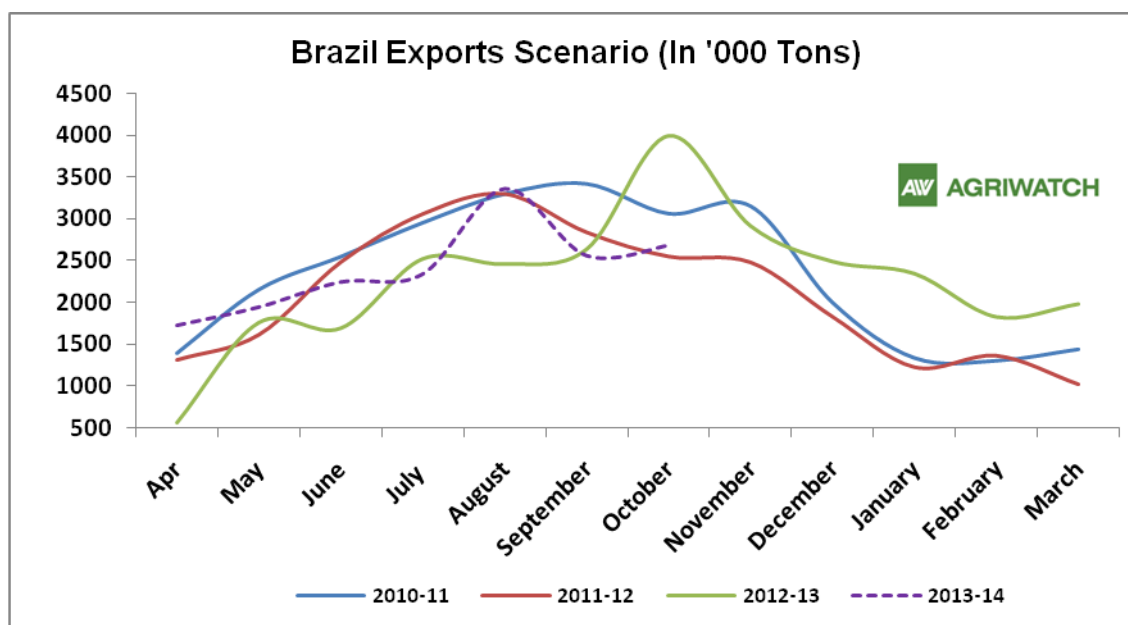
Sugar prices are not showing any signs of bullishness presently. Higher sugar supply from Brazil proved by October sugar export figures and higher sugar surplus globally would curb any hike in sugar prices.

We expect prices to remain steady to weak in ICE as well as in LIFFE for the shorter term.

International Market News Highlights:

- Brazil center south region have crushed 38.8 million tons of cane till mid Oct which is 7.3% higher compared to cane crushed by mills at last year same period. Higher cane crushing data becomes the major influencing factor for decline in sugar prices in International exchanges.
- Global sugar surplus will squeeze in the long term, according to various analyst consensus attending the Global Grains conference in Geneva. Despite of higher sugar production overall, expected higher demand from emerging markets would offset the impact of sugar surplus.
- Global sugar surplus pegged at 4.4 million tons for 2013-14 by FO Litch that is less from previous year surplus i.e. 8.4 million tons. It is notable that higher sugar surplus for this year become the major influencing factor which curb any hike in prices.
- Philippines typhoon likely to cut 150000 tons of domestic raw sugar output this year, according to news sources. However, still there are enough sugar stock which would fulfill the domestic sugar demand.

Brazilian Sugar Export Scenario



Brazil has exported 2.67 million tons of sugar, raw value, in October 2013 marginally up from 2.55 million tons in the previous month.

Higher sugar production than consumption and smooth movement of sugar at ports led the sugar exports increase from Brazilian ports. It is notable that Brazil has exported 16.81 million tons of sugar this year till October which was 15.63 million tons, raw value, last year same period.

It is expected that sugar exports from Brazil likely to remain constant in the coming months considering lower sugar production estimates by various trade houses compared to sugar production estimated earlier.

International Sugar Prices (Weekly)				
	Contract Month	15-Nov-13	7-Nov-13	Change
ICE Sugar #11 (US Cent/lb)	14-Mar	17.64	18.04	-0.4
	14-May	17.55	17.91	-0.36
	14-Jul	17.46	17.76	-0.3
LIFFE Sugar (US \$/MT)	13-Dec	468.10	475	-6.9
	14-Mar	475.10	480.70	-5.6
	14-May	478.30	486	-7.7

LIFFE Future Market Sugar Scenario (Dec Contract):

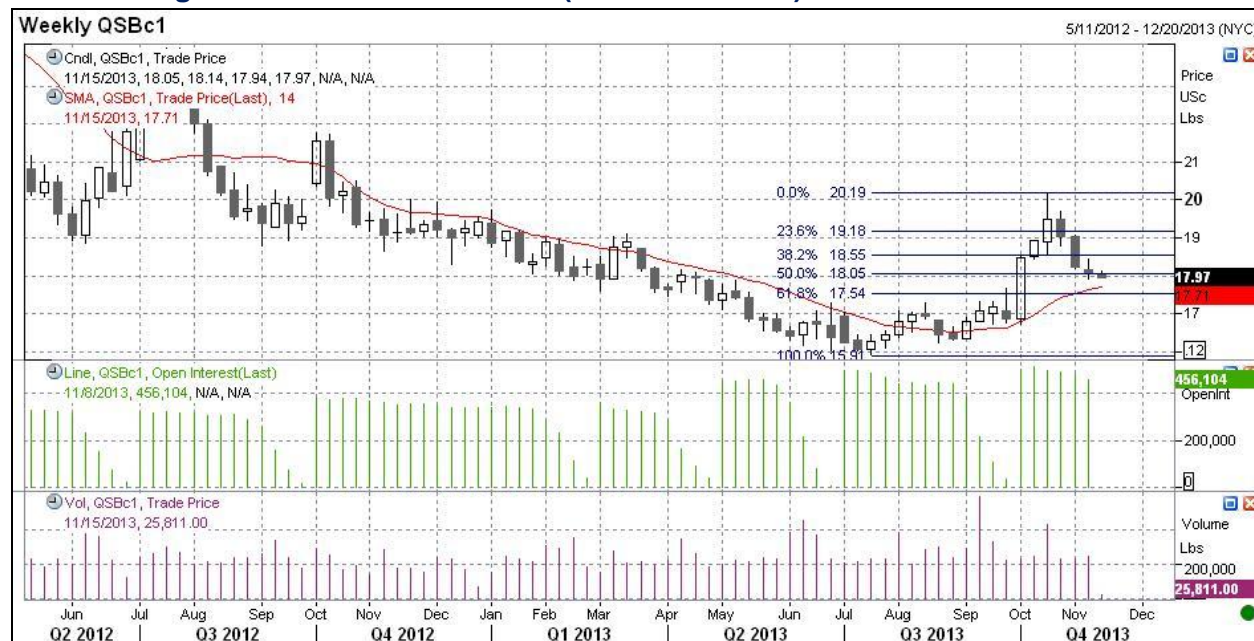


Technical Commentary:

- Sugar prices are presently hovering in a downtrend as chart depicts.
- Decrease in prices has not supported by Volume and OI.
- Prices should test its next support level i.e. \$460 per ton.

International Sugar Futures Price Projection			
	Contract Month	Present Quote	Expected Price level for next week
LIFFE Sugar (US \$/MT)	Dec'13	468.10	460

ICE Raw Sugar Future Market Scenario (Mar'14 Contract):



Technical Commentary:

- ICE raw sugar futures are trading in a downward channel. However, trying to rebound from present level.
- Prices likely to test its 14 day SMA as chart depicts.
- Last candlestick depicts bearishness in the market.

International Sugar Futures Price Projection			
	Contract Month	Present Quote	Expected Price level for next week
ICE Sugar #11 (US Cent/lb)	Mar'14	17.64	18

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