

Sugar & Gur Domestic & International Fundamentals

- Prices of sugar remained steady in key sugar spot markets on Tuesday due to lackluster trade.
- Egypt SIIC buys 50000 tons of raw sugar from Brazil for first week of March arrival at \$411.95 per ton on a CIF basis.
- India is offering white sugar at FOB \$467.60/Ton which is not lucrative as compared to Brazil and Thailand FOB prices. However, if government gives export subsidy to them then it would increase the sugar export from India as expected.
- Thailand sugar mills have crushed 11.04 million tons of cane till 19th 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.
- Gur prices trading up today in key Muzaffar nagar spot market. Recent rainfall likely to obstruct the fresh gur arrivals in the markets which would result in increase in gur prices.
- 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	0.00	2809.00	2810.00	2798.00	2805.00
Feb-14	-1.00	2792.00	2796.00	2784.00	2788.00
Mar-14	-2.00	2784.00	2792.00	2784.00	2790.00

Contract	Volume	Change	OI	Change
Jan-14	5680	4120	22260	-1460
Feb-14	640	-1520	16130	30
Mar-14	490	300	18300	110

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

Stocks	Demat 30.12.13	In-Process 30.12.13	Total 30.12.13	FED 30.12.13
Sangli S	0	0	0	0
Delhi M	0	0	0	0
Solapur M	0	0	0	0
Solapur S	-	-	-	-

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
14-Mar	447	448.7	445.1	446	-1
14-May	454.7	455.7	452.5	453.5	-1
14-Aug	460.7	460.7	458.2	459.5	-0.4

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Jan-13	-4.50	1045.00	1045.00	1027.00	1037.50
Mar-13	-9.00	1043.50	1043.50	1030.00	1032.00
Jul-13	-10.00	1176.00	1176.00	1165.00	1167.50

Contract	Volume	Change	OI	Change
Jan-13	4670	10	4540	80
Mar-13	3980	240	6480	460
Jul-13	1360	-480	2180	-300

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	16.4	16.52	16.34	16.38	-0.05
14-May	16.56	16.66	16.46	16.52	-0.04
14-July	16.7	16.81	16.63	16.69	-0.04

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	356.25	-
Raw Sugar C&F (\$/MT)	Black Sea	394.25	-
Sugar White FOB (\$/MT)	Santos Port	446.00	-

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
		31-Dec-2013	30-Dec-2013	
Sugar	Delhi - Grade M	2990	2990	Unch
	Delhi - Grade S	2920	2940	-20
	Delhi - Grade L	3050	3030	20
	UP- Khatauli Grade M	3080	3080	Unch
	UP- Ramala Grade M	2920	2920	Unch
	UP- Dhampur Grade M Ex-Mill	2950	2950	Unch
	UP- Dhampur Grade S Ex-Mill	2930	2930	Unch
	UP- Dhampur Grade L Ex-Mill	3000	3000	Unch
	Mumbai –Grade M	3126	3132	-6
	Mumbai –Grade S	2882	2892	-10
	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	3110	Unch
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3100	3100	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	-	-	-
	Chennai - Grade S	2820	2820	Unch

Gur Spot Prices (Rs/Qtl)

		31-Dec-2013	30-Dec-2013	Change
Muzaffar Nagar	Chaku	2750	2500	250
	Arrivals	-	15000	-
	Khurpa	2500	2375	125

	Laddu	2600	2563	37
	Rascut	2537	2250	287
Seyana	Chaurasa	2427	2350	77
Hapur	Balti	2350	2400	-50
Maharashtra	Lal Variety	2750	2750	Unch
Bangalore	Achhu	-	-	-
	Mudde	3200	3200	Unch
Belgaum	Mudde	-	3000	-
Belthangadi	Yellow (Average)	3000	3000	Unch
Bijapur	Achhu	2930	2650	280
Gulbarga	Other (Average)	2950	2850	100
Mahalingapur a	Penti (Average)	2760	2850	-90
Mandya	Achhu (Medium)	2800	2850	-50
	Kurikatu (Medium)	2400	2400	Unch
	Other (Medium)	2400	2400	Unch
	Yellow (Medium)	2750	2800	-50
Shimoga	Achhu (Average)	3250	3250	Unch

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

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	31-Dec-2013	30-Dec-2013	Change
Ramala	M-30	2820	2820	Unch
Baghpat	M-30	2830	2830	Unch
Gajraula	M-30	2835	2810	25
BulandShahar	M-30	2905	2900	5
Anupshahar	M-30	2800	2800	Unch

UP Government Mills Tender Rates				
Centre	Origin/Grade	31-Dec-2013	30-Dec-2013	Change

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

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	12/30/13
VIGHNAHAR	S1.PP	2715
	M.PP	2815
ANURAJ	S.PP	2760
	S.JB	2800
AGASTI	S1.PP	2740
	M.PP	2876.00-2880.00
SHRIRAM PHALTAN	S.PP	2700
LOKNETE	S.PP	2638
MADHA	S.PP	2698
	M.PP	2823
AKLUJ	S.PP	2663.00-2666.00
	S1.PP	2725
KRANTI	S1.PP	2758
	M.PP	2940
SHREEPUR	S.PP	2766
	M.PP	2866
PRAWARA	S.PP	2712
	S1.PP	2775
D.Y. PATIL	S1.PP	2718
	M.PP	2850
WARANA	S1.PP	2733
	M.PP	2933
MAHATMA GANDHI	S.PP	2660
	S.JB	2680
GEMS	S2.PP	2653
	S.JK	2668
JAMKHANDI	OLD S2.PP	2618
	NEW S.PP	2638
NIRANI	S2.PP-S.JB	2660.00-2690.00
	M.PP	2780
RENUKA RAIBAGH	S1.PP	2725
	M.PP	2825
PRABHU	OLD S.PP	2670
	NEW S1.PP	2710

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