

## Sugar & Gur Domestic & International Fundamentals

- Steady to weak sentiments recorded in key sugar spot markets on Friday due to lackluster trade.
- India's sugar production falls by 21% to 85.5 lac tons in the first 3.5 months of 2013-14 season starting from Oct. 2013 till 15<sup>th</sup> January due to delay in starting of cane crushing operations by millers. Millers have produced 108 lac tons of sugar at same period last year.
- In a major turnaround, Government today approved Rs. 2390 per ton export incentive for raw sugar to sugar millers against ISMA recent demand of Rs. 3500 per ton. This step would give major respite to the over stock burdened sugar mills in major producing states like Maharashtra, UP, Karnataka and Andhra Pradesh.
- Prices are having some profit bookings which lead to increase in prices of sugar in NCDEX market.
- Maharashtra has produced 22.34 lac tons of sugar till 31<sup>st</sup> December 2013 after crushing 21.8 million tons of cane with an average recovery of 10.22%.
- **ICE raw sugar futures March contract tested its 3 year low tonight and trading at 15.48 cents per lb. Major factor for decline in prices are around 4.7 million tons global sugar surplus estimated by ISO. In addition to it, continuous sugar supply by Brazil and Thailand curb any hike in sugar prices in Global markets.**
- Western UP mills got lesser recovery at present which is lower than last year. It is notable that UP mills are getting 8.75% recovery after crushing sugarcane in their region.
- Government notifies norms for sugar mills to get interest free loans.
- Reportedly, Daily on an average 5000 tons of sugar (mainly raws) exported from Indian ports.
- Gur prices improved today in key benchmark market on Friday. Lower arrivals due to adverse weather conditions led the arrivals decline today compared to prior day which become the influencing factor which drove the prices up.

**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	-6	2828	2830	2822	2824
Feb-14	-1	2757	2767	2757	2757
Mar-14	0	2769	2776	2765	2765

Contract	Volume	Change	OI	Change
Jan-14	190	-1350	8490	-110
Feb-14	1940	-1390	18080	-280
Mar-14	1260	60	19060	-270

Spread	Jan-14	Feb-14	Mar-14
Basis	26		
Jan-14		-67	-59
Feb-14			8

Stocks	Demat 16.1.14	In-Process 16.1.14	Total 16.1.14	FED 14.1.14
Sangli S	200	2698	2898	-
Delhi M	0	401	401	-
Solapur M	-	-	-	-
Solapur S	-	-	-	-

### LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
14-Mar	415.50	420.60	413.20	418.50	+1.90
14-May	425.10	431.20	423.70	429.40	+3.50
14-Aug	433.40	439.40	432.80	437.10	+3.10

### NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Jan-13	0.5	1030	1030	1024	1025.5
Mar-13	-2	1018	1019.5	1012.5	1017
Jul-13	-3.5	1146	1146.5	1137	1142.5

Contract	Volume	Change	OI	Change
Jan-13	240	-140	1970	-220
Mar-13	3180	1500	8840	150
Jul-13	2330	1030	3000	-180

Spread	Jan-14	Mar-14	July-14
Basis	-5.5		
Jan-13		-8.5	117
Feb-13			125.5

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	15.22	15.53	15.10	15.45	+0.22
14-May	15.42	15.70	15.30	15.62	+0.20
14-July	15.65	15.96	15.59	15.86	+0.18

**Brazil Sugar Quotes (Kingsman US\$/MT)**

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	<b>332.5</b>	-
Raw Sugar C&F (\$/MT)	Black Sea	<b>370.5</b>	-
Sugar White FOB (\$/MT)	Santos Port	<b>429</b>	-

**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
		17-Jan-2014	16-Jan-2014	
Sugar	Delhi - Grade M	2950	2940	10
	Delhi - Grade S	2840	2840	Unch
	Delhi - Grade L	2990	2990	Unch
	UP- Khatauli Grade M	2980	2980	Unch
	UP- Ramala Grade M	2910	2910	Unch
	UP- Dhampur Grade M Ex-Mill	2970	2970	Unch
	UP- Dhampur Grade S Ex-Mill	2950	2950	Unch
	UP- Dhampur Grade L Ex-Mill	3020	3020	Unch
	Mumbai –Grade M	3036	3036	Unch
	Mumbai –Grade S	2832	2832	Unch
	Kolhapur – Grade M	2850	2850	Unch
	Kolhapur – Grade S	2650	2700	-50
	Guhawati – Grade S	2954	3004	-50
	Shillong – Grade S	2970	3020	-50
	Vijayawada – Grade M	3300	3300	Unch
	Vijayawada- Grade S	3200	3200	Unch
	Nagpur – Grade M	3200	3200	Unch
	Nagpur – Grade S	2900	2900	Unch
	Kolkata – Grade M	3065	3100	-35
	Chennai - Grade S	2800	-	-
Ambikapur (Chattisgarh)- Grade M (Without Duty)	3100	3100	Unch	
Ambikapur (Chattisgarh)- Grade S (Without Duty)	-	-	-	

**Gur Spot Prices (Rs/Qtl)**

		Prices (Rs/Qtl)		Change
		17-Jan-2014	16-Jan-2014	
Muzaffar Nagar	Chaku	2550	2425	125
	Arrivals	2000	4000	-2000
	Khurpa	2425	2400	25
	Laddu	2600	2563	37
	Rascut	2250	2250	Unch

<b>Seyana</b>	Chaurasa	2315	2310	<b>5</b>
<b>Hapur</b>	Balti	2200	2200	<b>Unch</b>
<b>Maharashtra</b>	Lal Variety	2600	2550	<b>50</b>
<b>Bangalore</b>	Achhu	NR	3400	<b>-</b>
	Mudde	3400	NR	<b>-</b>
<b>Belgaum</b>	Mudde	2900	2900	<b>Unch</b>
<b>Belthangadi</b>	Yellow (Average)	3150	3100	<b>50</b>
<b>Bijapur</b>	Achhu	2600	2650	<b>-50</b>
<b>Gulbarga</b>	Other (Average)	2800	NR	<b>-</b>
<b>Mahalingapura</b>	Penti (Average)	2550	2450	<b>100</b>
<b>Mandya</b>	Achhu (Medium)	2600	2650	<b>-50</b>
	Kurikatu (Medium)	2350	2400	<b>-50</b>
	Other (Medium)	2300	2300	<b>Unch</b>
	Yellow (Medium)	2600	2600	<b>Unch</b>
<b>Shimoga</b>	Achhu (Average)	3100	3100	<b>Unch</b>

**UP Private Mills Tender Rates**

<b>Centre</b>	<b>Origin/Grade</b>	<b>17-Jan-2014</b>	<b>16-Jan-2014</b>	<b>Change</b>
Dorala	M-30	NR	2910	<b>-</b>
Mawana	M-30	NR	2905	<b>-</b>
Khatauli	2995	NR	2985	<b>-</b>
Modinagar	M-30	NR	2890	<b>-</b>
Malakpur	M-30	NR	2860	<b>-</b>
Simbholi	M-30	NR	2995	<b>-</b>
Asamoli	M-30	NR	2990	<b>-</b>
Dhanora	M-30	NR	2865	<b>-</b>
Dhampur	M-30	NR	2840	<b>-</b>
Kinnoni	M-31	NR	3030	<b>-</b>
Budhana	M-31	NR	2890	<b>-</b>
Thanabhavan	M-31	NR	2880	<b>-</b>

**UP Cooperative Mills Tender Rates**

<b>Centre</b>	<b>Origin/Grade</b>	<b>17-Jan-2014</b>	<b>16-Jan-2014</b>	<b>Change</b>
Ramala	M-30	NR	2800	<b>-</b>
Baghpat	M-30	NR	2810	<b>-</b>
Gajraula	M-30	NR	2790	<b>-</b>
BulandShahar	M-30	NR	2845	<b>-</b>
Anupshahar	M-30	NR	2780	<b>-</b>

**UP Government Mills Tender Rates**

<b>Centre</b>	<b>Origin/Grade</b>	<b>17-Jan-2014</b>	<b>16-Jan-2014</b>	<b>Change</b>
Morna	M-30	NR	2800	<b>-</b>
Nanotha	M-30	NR	2800	<b>-</b>
Nazibabad	M-30	NR	2790	<b>-</b>

Sakoti	M-30	NR	2830	-
Amroha	M-30	NR	-	-
Chandpur	M-31	NR	2832	-

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	16-Jan-14
AMBALIKA	S.PP	2640
	M.P	2770
MADHA	M.PP	2760
PRASAD	S.PP-S1.PP	2615.00-2680.00
	M.PP	2790
MANJARA	S1.PP	2710
	M.PP	2785
MARLI	S.PP	2685
	M.PP	2835
SHREEPUR	S1.PP	2698
	M.PP	2798
GHODGANGA	S.PP	2623
ASHOK NAGAR	S.PP	2645
	M.PP	2865
SHIV SAGAR	S2.PP-S1.PP	2600.00-2620.00
	NEW S1.PP	2680

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