

## Sugar & Gur Domestic & International Fundamentals

- Mixed sentiments recorded in key sugar spot markets on Saturday 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 burden 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 steady to slightly firm today in key benchmark market on Saturday. 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	-3	2820	2825	2820	2822
Feb-14	-2	2760	263	2754	2758
Mar-14	-6	2768	2768	2758	2761

Contract	Volume	Change	OI	Change
Jan-14	160	-30	8440	-50
Feb-14	1300	-640	18100	20
Mar-14	680	-580	18900	-160

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

Stocks	Demat 17.1.14	In-Process 17.1.14	Total 17.1.14	FED 14.1.14
Kolhapur M	1249	2348	3597	-
Solapur M	401	0	401	-

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

Contract	Open	High	Low	Close	+/-
14-Mar	418.70	419.10	409.40	412.30	-6.20
14-May	429.20	429.20	422.10	423.80	-5.60
14-Aug	437.40	437.40	431.70	433.10	-4.00

### NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Jan-13	3.5	1030	1040	1024.5	1029.5
Mar-13	-1.5	1017	1017	1012	1014.5
Jul-13	-7.5	1141.5	1141.5	1132.5	1135

Contract	Volume	Change	OI	Change
Jan-13	700	460	1230	-740
Mar-13	1840	-1340	8830	-10
Jul-13	1370	-960	3010	10

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	15.50	15.51	15.15	15.22	-0.23
14-May	15.67	15.67	15.33	15.40	-0.22
14-July	15.89	15.91	15.60	15.67	-0.19

## 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
		18-Jan-2014	17-Jan-2014	
Sugar	Delhi - Grade M	2922	2950	-28
	Delhi - Grade S	2850	2840	10
	Delhi - Grade L	3020	2990	30
	UP- Khatauli Grade M	3100	2980	120
	UP- Ramala Grade M	2910	2910	Unch
	UP- Dhampur Grade M Ex-Mill	2950	2970	-20
	UP- Dhampur Grade S Ex-Mill	2930	2950	-20
	UP- Dhampur Grade L Ex-Mill	3000	3020	-20
	Mumbai –Grade M	3036	3036	Unch
	Mumbai –Grade S	2832	2832	Unch
	Kolhapur – Grade M	2825	2850	-25
	Kolhapur – Grade S	2675	2650	25
	Guhawati – Grade S	2979	2954	25
	Shillong – Grade S	2995	2970	25
	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	3070	3065	5
	Chennai - Grade S	2800	2800	Unch
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3100	3100	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	-	-	-

## Gur Spot Prices (Rs/Qtl)

		18-Jan-2014	17-Jan-2014	Change
Muzaffar Nagar	Chaku	NA	2550	-
	Arrivals	NA	2000	-
	Khurpa	NA	2425	-

	Laddu	NA	2600	-
	Rascut	NA	2250	-
<b>Seyana</b>	Chaurasa	2315	2315	Unch
<b>Hapur</b>	Balti	2200	2200	Unch
<b>Maharashtra</b>	Lal Variety	2600	2600	Unch
<b>Bangalore</b>	Achhu	NR	NR	-
	Mudde	3400	3400	Unch
<b>Belgaum</b>	Mudde	2700	2900	-200
<b>Belthangadi</b>	Yellow (Average)	3150	3150	Unch
<b>Bijapur</b>	Achhu	2680	2600	80
<b>Gulbarga</b>	Other (Average)	2900	2800	100
<b>Mahalingapura</b>	Penti (Average)	NR	2550	-
<b>Mandya</b>	Achhu (Medium)	NR	2600	-
	Kurikatu (Medium)	NR	2350	-
	Other (Medium)	NR	2300	-
	Yellow (Medium)	NR	2600	-
<b>Shimoga</b>	Achhu (Average)	3100	3100	Unch

## UP Private Mills Tender Rates

Centre	Origin/Grade	18-Jan-2014	17-Jan-2014	Change
Dorala	M-30	2910	NR	-
Mawana	M-30	2905	NR	-
Khatauli	2995	3025	NR	-
Modinagar	M-30	2895	NR	-
Malakpur	M-30	2865	NR	-
Simbholi	M-30	3045	NR	-
Asamoli	M-30	3025	NR	-
Dhanora	M-30	2880	NR	-
Dhampur	M-30	2870	NR	-
Kinnoni	M-31	3080	NR	-
Budhana	M-31	2915	NR	-
Thanabhavan	M-31	2905	NR	-

## UP Cooperative Mills Tender Rates

Centre	Origin/Grade	18-Jan-2014	17-Jan-2014	Change
Ramala	M-30	2810	NR	-
Baghpat	M-30	2820	NR	-
Gajraula	M-30	2800	NR	-
BulandShahar	M-30	2855	NR	-
Anupshahar	M-30	2780	NR	-

## UP Government Mills Tender Rates

Centre	Origin/Grade	18-Jan-	17-Jan-	Chang
--------	--------------	---------	---------	-------

		2014	2014	e
Morna	M-30	2810	NR	-
Nanotha	M-30	2810	NR	-
Nazibabad	M-30	2800	NR	-
Sakoti	M-30	2860	NR	-
Amroha	M-30	NA	NR	-
Chandpur	M-31	2845	NR	-

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

## 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.