

Sugar & Gur Domestic & International Fundamentals

- Cash sugar markets traded mixed amid sluggish trading activities on Thursday.
- The Cabinet Committee on Economic Affairs (CCEA) is likely to discuss a proposal to increase the Fair and Remunerative Price (FRP) of sugarcane for 2014-15 crushing season starting from October by Rs 10 per quintal to Rs 220 in a meeting scheduled on Thursday.
- Sugarcane arrears across India have climbed to around Rs 10,000 crore due to depressed sugar prices, which have fallen by almost Rs 6-8 a kilo compared with 14-15 months ago. The mills are, therefore, unable to pay the cane price of the farmers on time. It is feared that as the season progresses, the cane price arrears is only expected to go up further as per ISMA.
- The Cabinet Committee on Economic Affairs (CCEA) is expected to consider on 6 February a proposal to give a cash subsidy of Rs 2,000 per tonne for raw sugar exports.
- Ministry for 2014-15 marketing season starting next October Reedy Fair & Remunerative Price (FRP) fixed at Rs 10 to Rs 220 per quintal is proposed.
- 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 15th 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.
- Maharashtra has produced 22.34 lac tons of sugar till 31st December 2013 after crushing 21.8 million tons of cane with an average recovery of 10.22%.
- 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 raw) exported from Indian ports.
- Mixed trade has been reported in Gur market today.

Outlook: Sugar is likely to trade weak in clueless market.

NCDEX Sugar Future Quotes:

Contract	+/-	Open	High	Low	Close
Feb-14	11.00	2668.00	2685.00	2658.00	2675.00
Mar-14	3.00	2710.00	2723.00	2689.00	2706.00
Apr-14	5.00	2770.00	2770.00	2720.00	2741.00

Contract	Volume	Change	OI	Change
Feb-14	1810	-1660	14440	-470
Mar-14	3810	400	23100	460
Apr-14	3260	350	27370	490

Spread	Feb-14	Mar-14	Apr-14
Basis	125		
Feb-14		31	66
Mar-14			35

Stocks	Demat 05.2.14	In-Process 05.2.14	Total 05.2.14	FED 03.2.14
Kolhapur M	1119	240	1359	1129
Solapur M	401	0	401	401
Kolhapur S	3068	240	3308	3468
Solapur S	2148	0	2148	699

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
14-Mar	436.70	444.30	435.40	439.60	+4.40
14-May	442.60	445.30	439.00	442.30	+1.80
14-Aug	451.90	454.90	449.00	451.80	+1.20

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Mar-14	0.50	1040.00	1040.00	1032.00	1034.50
Jul-14	6.50	1135.00	1154.00	1134.00	1144.50
Sep-14	8.50	1163.50	1186.00	1163.50	1175.00

Contract	Volume	Change	OI	Change
Mar-14	3190	-5670	6390	-300
Jul-14	6000	670	4960	-150
Sep-14	570	370	790	260

Spread	Mar-14	July-14	Sept-14
Basis	89.5		
Feb-14		110	140.5
Mar-14			30.5

Gur Stock Position	Chaku	Raskut	Papdi	Total
2014	-	-		
2013	30000	20500	28000	67000

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
14-Mar	16.03	16.24	15.92	16.10	+0.04
14-May	16.35	16.50	16.18	16.38	+0.06
14-July	16.56	16.77	16.48	16.65	+0.03

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	346.25	-
Raw Sugar C&F (\$/MT)	Black Sea	384.25	-
Sugar White FOB (\$/MT)	Santos Port	453.00	-

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
		6-Feb-2014	5-Feb-2014	
Sugar	Delhi - Grade M	2945	2930	15
	Delhi - Grade S	2835	2820	15
	Delhi - Grade L	2995	2980	15
	UP- Khatauli Grade M	3100	2920	180
	UP- Ramala Grade M	2870	2870	Unch
	UP- Dhampur Grade M Ex-Mill	2905	2910	-5
	UP- Dhampur Grade S Ex-Mill	2885	2890	-5
	UP- Dhampur Grade L Ex-Mill	2955	2960	-5
	Mumbai –Grade M	2912	2912	Unch
	Mumbai –Grade S	2746	2746	Unch
	Kolhapur – Grade M	2800	2750	50
	Kolhapur – Grade S	2650	2600	50
	Guhawati – Grade S	2954	2903	51
	Shillong – Grade S	2970	2920	50
	Vijayawada – Grade M	3220	3220	Unch
	Vijayawada- Grade S	3120	3120	Unch
	Nagpur – Grade M	3000	3000	Unch
	Nagpur – Grade S	2750	2750	Unch
	Kolkata – Grade M	3030	3110	-80
	Chennai - Grade S	2800	2800	Unch
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3050	3050	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	3050	3050	Unch

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Gur Spot Prices (Rs/Qtl)				
		6-Feb-2014	5-Feb-2014	Change
Muzaffar Nagar	Chaku	2813	2863	-50
	Arrivals	7000	4000	3000
	Khurpa	2488	2475	13
	Laddu	2663	2650	13
	Rascut	2250	2225	25

Seyana	Chaurasa	2263	2350	-87
Hapur	Balti	2280	2300	-20
Maharashtra	Lal Variety	2650	2650	Unch
Bangalore	Achhu	NR	NR	-
	Mudde	3100	3100	Unch
Belgaum	Mudde	2600	2600	Unch
Belthangadi	Yellow (Average)	3000	3000	Unch
Bijapur	Achhu	2300	NR	-
Gulbarga	Other (Average)	2750	2650	100
Mahalingapura	Penti (Average)	2580	2650	-70
Mandya	Achhu (Medium)	NR	2500	-
	Kurikatu (Medium)	NR	2300	-
	Other (Medium)	NR	2300	-
	Yellow (Medium)	NR	2500	-
Shimoga	Achhu (Average)	3100	3100	Unch

UP Private Mills Tender Rates

Centre	Origin/Grade	6-Feb-2014	5-Feb-2014	Change
Dorala	M-30	2850	2850	Unch
Mawana	M-30	2845	2845	Unch
Khatauli	2995	3015	3015	Unch
Modinagar	M-30	2830	2830	Unch
Malakpur	M-30	2790	2790	Unch
Simbholi	M-30	3015	3015	Unch
Asamoli	M-30	3020	3020	Unch
Dhanora	M-30	2820	2820	Unch
Dhampur	M-30	2810	2810	Unch
Kinnoni	M-31	3045	3045	Unch
Budhana	M-31	2835	2835	Unch
Thanabhavan	M-31	2830	2830	Unch

UP Cooperative Mills Tender Rates

Centre	Origin/Grade	6-Feb-2014	5-Feb-2014	Change
Ramala	M-30	2790	2790	Unch
Baghpat	M-30	2800	2800	Unch
Gajraula	M-30	2780	2780	Unch
BulandShahar	M-30	2800	2800	Unch
Anupshahar	M-30	2750	2750	Unch

UP Government Mills Tender Rates

Centre	Origin/Grade	6-Feb-2014	5-Feb-2014	Change
Morna	M-30	2790	2790	Unch
Nanotha	M-30	2790	2790	Unch
Nazibabad	M-30	2780	2780	Unch

Sakoti	M-30	2810	2810	Unch
Amroha	M-30	NA	NA	-
Chandpur	M-31	2780	2780	Unch

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	5-Feb-14
WARANA	S2.PP-S.JB	2550.00-2580.00
	M.PP	2650
BIDRI	S1.PP	2540
	M.PP	2630
MATPALLI	S.PP	2566.00-2570.00
	S.PP	2510
MEDAK	S.JK	2520
RENUKA AGJALPUR	S2.PP	2528
	S.JJK	2533
UGAR	S.JK	2547
	S1.JB	2650
AMBALIKA	S.PP	2540
	M.PP	2690
SHREEPUR	S.PP	2483
	S1.PP-S2.PP	2545.00-2535.00
PRAWARA	M.PP	2690
MAKAI	Origin/Grade	5-Feb-14
	S2.PP-S.JB	2550.00-2580.00
SHRIGONDA	M.PP	2650
	S1.PP	2540
MANJARA	M.PP	2630
	S.PP	2566.00-2570.00
MADHA	S.PP	2510
AKLUJ	S.JK	2520
	S2.PP	2528
	S.JJK	2533

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