

Sugar & Gur Domestic & International Fundamentals

- Cash sugar markets traded mixed on Tuesday.
- In the wake of falling prices, sugar producers in Maharashtra are incurring losses worth Rs 800-1,200 a bag. Besides, due to mismatch between the cost of production and lower sugar prices, 97 factories, 58 cooperative and 39 private ones, as on December 31, 2013, have to pay Rs 479 crore towards fair and remunerative price (FRP) for sugarcane purchase. (Source: Business Standard)
- A Cabinet Committee on Economic Affairs (CCEA) is once again expected to discuss the vexed issue subsidy for export of 4 million tonnes of raw sugar soon. Revised proposal is still under consideration.
- The food ministry has favored raising the quantum of subsidy from Rs 2,000 per ton to around Rs 3,000 per ton only with perspective effect.
- Sugar futures posted the longest rally in almost five months as drought threatened crop yields in Brazil, the world's top producer and shipper.
- Government has announced the Fair and Remunerative Price (RFP) for sugarcane for the 2014-15 sugarcane season. The RFP has been raised to Rs. 220 per quintal from Rs. 210 for 2013-14. A state is free to top up the FRP and decide the price that sugar mills must pay to sugarcane farmers in that state. The price recommended by the Central Government has almost tripled in the last ten years, from Rs. 74.50 per quintal for 2004-05 season. (Source:pib)
- Mixed trade has been reported in Gur market today.

Outlook: Improved buying interest at lower level, expectation of higher raw sugar export subsidy (around Rs 3500 per T) and drought like condition in Brazil basically helped market to recover at recent low. Market is likely to trade steady to slightly firm in the near term as sentiments in the market point towards more firmness.

NCDEX Sugar Future Quotes:

Contract	+/-	Open	High	Low	Close
Feb-14	9.00	2730.00	2739.00	2700.00	2730.00
Mar-14	-11.00	2783.00	2789.00	2744.00	2754.00
Apr-14	-11.00	2819.00	2835.00	2790.00	2795.00

Contract	Volume	Change	OI	Change
Feb-14	2400	-6040	10420	-800
Mar-14	7680	-3560	19880	1030
Apr-14	7190	-1300	25000	-110

Spread	Feb-14	Mar-14	Apr-14
Basis	70		
Feb-14		24	65
Mar-14			41

Stocks	Demat 10.2.14	In-Process 10.2.14	Total 10.2.14	FED 10.2.14
Kolhapur M	999	300	1299	999
Solapur M	401	0	401	401
Kolhapur S	2818	300	3118	2818
Solapur S	2148	0	2148	2148

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
14-Mar	432.70	436.90	428.20	434.00	-2.50
14-May	442.90	444.80	438.00	442.90	-2.50
14-Aug	449.80	452.90	446.40	451.90	-1.10

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Mar-14	-3.00	1039.50	1043.00	1036.00	1036.50
Jul-14	-7.50	1165.00	1197.00	1158.00	1158.50
Sep-14	-10.50	1214.00	1214.00	1200.00	1200.00

Contract	Volume	Change	OI	Change
Mar-14	3040	-200	5490	-40
Jul-14	4840	-160	3330	-370
Sep-14	1100	-180	1530	-130

Spread	Mar-14	July-14	Sept-14
Basis	3.5		
Feb-14		122	163.5
Mar-14			41.5

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	15.61	15.68	15.38	15.64	-0.09
14-May	15.80	15.96	15.68	15.93	-0.09
14-July	16.26	16.28	16.00	16.26	-0.06

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	334.5	-
Raw Sugar C&F (\$/MT)	Black Sea	372.0	-
Sugar White FOB (\$/MT)	Santos Port	442.25	-

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
		11-Feb-2014	10-Feb-2014	
Sugar	Delhi - Grade M	2950	2990	-40
	Delhi - Grade S	2900	2880	20
	Delhi - Grade L	3040	3040	Unch
	UP- Khatauli Grade M	3150	3150	Unch
	UP- Ramala Grade M	2890	2890	Unch
	UP- Dhampur Grade M Ex-Mill	2930	2950	-20
	UP- Dhampur Grade S Ex-Mill	2910	2930	-20
	UP- Dhampur Grade L Ex-Mill	2980	3000	-20
	Mumbai –Grade M	2936	2932	4
	Mumbai –Grade S	2772	2766	6
	Kolhapur – Grade M	2800	2825	-25
	Kolhapur – Grade S	2610	2625	-15
	Guhawati – Grade S	2913	2928	-15
	Shillong – Grade S	2930	2945	-15
	Vijayawada – Grade M	3200	3200	Unch
	Vijayawada- Grade S	3100	3100	Unch
	Nagpur – Grade M	3000	3000	Unch
	Nagpur – Grade S	2750	2750	Unch
	Kolkata – Grade M	3100	2940	160
	Chennai - Grade S	2780	2800	-20
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3050	3050	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	3050	3050	Unch

Gur Spot Prices (Rs/Qtl)				
		11-Feb-2014	10-Feb-2014	Change
Muzaffar Nagar	Chaku	2600	2700	-100
	Arrivals	3000	1500	1500
	Khurpa	2463	2425	38
	Laddu	2663	2600	63
	Rascut	2225	2225	Unch
Seyana	Chaurasa	2150	2150	Unch
Hapur	Balti	2250	2275	-25
Maharashtra	Lal Variety	2600	2600	Unch
Bangalore	Achhu	NR	NR	-
	Mudde	2900	2900	Unch
Belgaum	Mudde	NR	2700	-
Belthangadi	Yellow (Average)	3000	3000	Unch
Bijapur	Achhu	2550	2500	50
Gulbarga	Other (Average)	2670	2650	20
Mahalingapura	Penti (Average)	2580	2580	Unch
Mandya	Achhu (Medium)	2400	2450	-50
	Kurikatu (Medium)	2300	2300	Unch
	Other (Medium)	2300	2350	-50
	Yellow (Medium)	2400	2450	-50
Shimoga	Achhu (Average)	NR	3100	-

UP Private Mills Tender Rates				
Centre	Origin/Grade	11-Feb-2014	10-Feb-2014	Change
Dorala	M-30	NR	2870	-
Mawana	M-30	NR	2860	-
Khatauli	2995	NR	3045	-
Modinagar	M-30	NR	2850	-
Malakpur	M-30	NR	2820	-
Simbholi	M-30	NR	3045	-
Asamoli	M-30	NR	3040	-
Dhanora	M-30	NR	2845	-
Dhampur	M-30	NR	2835	-
Kinnoni	M-31	NR	3060	-
Budhana	M-31	NR	2865	-
Thanabhavan	M-31	NR	2860	-

UP Cooperative Mills Tender Rates				
Centre	Origin/Grade	11-Feb-2014	10-Feb-2014	Change
Ramala	M-30	NR	2780	-
Baghpat	M-30	NR	2790	-
Gajraula	M-30	NR	2770	-
BulandShahar	M-30	NR	2835	-

Anupshahar	M-30	NR	2740	-
UP Government Mills Tender Rates				
Centre	Origin/Grade	11-Feb-2014	10-Feb-2014	Change
Morna	M-30	NR	2790	-
Nanotha	M-30	NR	2780	-
Nazibabad	M-30	NR	2760	-
Sakoti	M-30	NR	2830	-
Amroha	M-30	NA	NA	-
Chandpur	M-31	NR	2815	-

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	7-Feb-14
KCW	S1.PP	2588
	M.PP	2688
D.Y. PATIL	S1.PP	2583
	M.PP	2683
SAHYADRI	OLD M.PP	2598
	OLD M.JK	2618
LOKNETE	S.PP	2510
	S.JK	2520
UDGIRI	S.PP-S1.PP	2530.00-2540.00
	M.PP	2730
KRISHNA	OLD S2.PP	2503
	OLD M.PP	2613
DWARKADHISH	S.PP	2630
	M/30	2700
CHANDRABHAGA	S1.PP	2548
MAHADA	S.PP	2501.00-2511.00
	M.PP	2633.00-2635.00
SHIV SHAKTI	S.PP	2575
	M.PP	2675
JAI MAHESH	S.PP	2530
	M.PP	2680
PRABHU	S1.PP-S2.PP	2600.00-2580.00
	M.PP	2765
GEMS	S.PP	2513
	M.PP	2748
VENKATESH	S.PP	2550
MULA	S.PP-S.JK	2551.00-2560.00
	M.P	2780
GHODGANGA	S.PP	2555
AGASTI	S.PP	2542.00-2545.00

PRAWARA	S.PP	2560.00-2565.00
	M.PP	2735
DAUND	S.PP-S1.PP	2570.00-2588.00
	M.PP	2680

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