# Daily Sugar & Gur Fundamental Report

14th February, 2014

### Sugar & Gur Domestic & International Fundamentals

- Cash sugar markets traded Steady on Thursday.
- Agriculture Minister Sharad Pawar on Wednesday managed to get Cabinet clearance to provide subsidy for export of four million tonnes of raw sugar, this will be a bigger benefit for sugar millers in Maharashtra and UP among other states and help them pay arrears to sugarcane farmers.
- 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)
- Weak trade has been reported in Gur market today due to higher arrival as reported.

**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 | 26.00 | 2731.00 | 2740.00 | 2721.00 | 2731.00 |
| Mar-14 | 20.00 | 2759.00 | 2783.00 | 2755.00 | 2769.00 |
| Apr-14 | 15.00 | 2805.00 | 2830.00 | 2795.00 | 2810.00 |

| Contract | Volume | Change | OI | Change |
|---|---|---|---|---|
| Feb-14 | 60 | -390 | 7990 | -350 |
| Mar-14 | 9,180 | 2050 | 20200 | 860 |
| Apr-14 | 10,910 | 5150 | 26070 | 840 |

| Spread | Feb-14 | Mar-14 | Apr-14 |
|---|---|---|---|
| Basis | 90 | | |
| Feb-14 | | 23 | 71 |
| Mar-14 | | | 48 |

| Stocks | Demat 12.2.14 | In-Process 12.2.14 | Total 12.2.14 | FED 10.2.14 |
|---|---|---|---|---|
| Kolhapur M | 999 | 0 | 999 | 999 |
| Solapur M | 401 | 799 | 1200 | 401 |
| Kolhapur S | 2518 | 0 | 2518 | 2818 |
| Solapur S | 2148 | 799 | 2947 | 2148 |

### NCDEX Gur Future Quotes:

| Contract | +/- | Open | High | Low | Close |
|---|---|---|---|---|---|
| Mar-14 | -4.50 | 1041.00 | 1042.50 | 1033.00 | 1035.00 |
| Jul-14 | 10.00 | 2918.00 | 2931.00 | 2878.00 | 2908.00 |
| Sep-14 | -12.00 | 1198.00 | 1202.00 | 1193.00 | 1193.00 |

| Contract | Volume | Change | OI | Change |
|---|---|---|---|---|
| Mar-14 | 5,160 | 90 | 5190 | 320 |
| Jul-14 | 2,800 | -440 | 4680 | 1030 |
| Sep-14 | 470 | -830 | 1160 | -40 |

| Spread | Mar-14 | July-14 | Sept-14 |
|---|---|---|---|
| Basis | -4.5 | | |
| Feb-14 | | 121.5 | 165.5 |
| Mar-14 | | | 44 |

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

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

| Contract | Open | High | Low | Close | +/- |
|---|---|---|---|---|---|
| 14-May | 433.20 | 447.70 | 431.80 | 446.30 | +12.50 |
| 14-Aug | 440.40 | 454.10 | 439.00 | 452.90 | +11.80 |
| 14-Oct | 446.30 | 460.90 | 446.20 | 459.80 | +10.30 |

### ICE Sugar Futures (In Cents/Pound)

| Contract | Open | High | Low | Close | +/- |
|---|---|---|---|---|---|
| 14-Mar | 15.46 | 15.93 | 15.31 | 15.81 | +0.35 |
| 14-May | 15.71 | 16.21 | 15.57 | 16.11 | +0.38 |
| 14-July | 16.06 | 16.50 | 15.89 | 16.42 | +0.35 |

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

| Commodity | Place | Price | Change |
|---|---|---|---|
| Raw Sugar FOB ($/MT) | Santos Port | 338.75 | - |
| Raw Sugar C&F ($/MT) | Black Sea | 376.25 | - |
| Sugar White FOB ($/MT) | Santos Port | 441.00 | - |

**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 |
|---|---|---|---|---|
| | | 13-Feb-2014 | 12-Feb-2014 | |
| Sugar | Delhi - Grade M | 2950 | 2920 | 30 |
| | Delhi - Grade S | 2880 | 2850 | 30 |
| | Delhi - Grade L | 3055 | 3025 | 30 |
| | UP- Khatauli Grade M | 3150 | 3150 | Unch |
| | UP- Ramala Grade M | 2900 | 2900 | Unch |
| | UP- Dhampur Grade M Ex-Mill | 2960 | 2960 | Unch |
| | UP- Dhampur Grade S Ex-Mill | 2940 | 2940 | Unch |
| | UP- Dhampur Grade L Ex-Mill | 3010 | 3010 | Unch |
| | Mumbai –Grade M | 2946 | 2932 | 14 |
| | Mumbai –Grade S | 2802 | 2766 | 36 |
| | Kolhapur – Grade M | 2820 | 2820 | Unch |
| | Kolhapur – Grade S | 2620 | 2620 | Unch |
| | Guhawati – Grade S | 2923 | 2923 | Unch |
| | Shillong – Grade S | 2940 | 2940 | Unch |
| | Vijayawada – Grade M | 3200 | 3200 | Unch |
| | Vijayawada- Grade S | 3100 | 3100 | Unch |
| | Nagpur – Grade M | 3000 | 3000 | Unch |
| | Nagpur – Grade S | 2800 | 2750 | 50 |
| | Kolkata – Grade M | 3075 | 3075 | Unch |
| | Chennai - Grade S | 2780 | 2780 | 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) | | | | |
|---|---|---|---|---|
| | | 13-Feb-2014 | 12-Feb-2014 | Change |
| Muzaffar Nagar | Chaku | 2250 | 2588 | -338 |
| | Arrivals | 16000 | 5000 | 11000 |
| | Khurpa | 2375 | 2500 | -125 |
| | Laddu | 2513 | 2600 | -87 |

| | | | | |
|---|---|---|---|---|
| | Rascut | 2125 | 2225 | -100 |
| Seyana | Chaursa | 2213 | 2200 | 13 |
| Hapur | Balti | 2213 | 2188 | 25 |
| Maharashtra | Lal Variety | 2650 | 2600 | 50 |
| Bangalore | Achhu | NR | NR | - |
| | Mudde | 3100 | 3100 | Unch |
| Belgaum | Mudde | 2600 | 2600 | Unch |
| Belthangadi | Yellow (Average) | 3100 | 3100 | Unch |
| Bijapur | Achhu | 2350 | NR | - |
| Gulbarga | Other (Average) | 2651 | 2675 | -24 |
| Mahalingapura | Penti (Average) | 2610 | 2600 | 10 |
| Mandya | Achhu (Medium) | 2450 | 2400 | 50 |
| | Kurikatu (Medium) | 2300 | 2300 | Unch |
| | Other (Medium) | 2400 | 2300 | 100 |
| | Yellow (Medium) | 2450 | 2400 | 50 |
| Shimoga | Achhu (Average) | 3100 | 3100 | Unch |

**UP Private Mills Tender Rates**

| Centre | Origin/Grade | 13-Feb-2014 | 12-Feb-2014 | Change |
|---|---|---|---|---|
| Dorala | M-30 | NR | NR | - |
| Mawana | M-30 | NR | NR | - |
| Khatauli | 2995 | NR | NR | - |
| Modinagar | M-30 | NR | NR | - |
| Malakpur | M-30 | NR | NR | - |
| Simbholi | M-30 | NR | NR | - |
| Asamoli | M-30 | NR | NR | - |
| Dhanora | M-30 | NR | NR | - |
| Dhampur | M-30 | NR | NR | - |
| Kinnoni | M-31 | NR | NR | - |
| Budhana | M-31 | NR | NR | - |
| Thanabhavan | M-31 | NR | NR | - |

**UP Cooperative Mills Tender Rates**

| Centre | Origin/Grade | 13-Feb-2014 | 12-Feb-2014 | Change |
|---|---|---|---|---|
| Ramala | M-30 | NR | NR | - |
| Baghpat | M-30 | NR | NR | - |
| Gajraula | M-30 | NR | NR | - |
| BulandShahar | M-30 | NR | NR | - |
| Anupshahar | M-30 | NR | NR | - |

**UP Government Mils Tender Rates**

| Centre | Origin/Grade | 13-Feb-2014 | 12-Feb-2014 | Change |
|---|---|---|---|---|

| | | | | |
|---|---|---|---|---|
| Morna | M-30 | NR | NR | - |
| Nanotha | M-30 | NR | NR | - |
| Nazibabad | M-30 | NR | NR | - |
| Sakoti | M-30 | NR | NR | - |
| Amroha | M-30 | NR | NR | - |
| Chandpur | M-31 | NR | NR | - |

| Maharashtra Cooperative Mills Tender Prices | | |
|---|---|---|
| **Centre** | **Origin/Grade** | **12-Feb-2014** |
| MADHA | S.PP | 2562 |
| CHANDRABHAGA | S1.PP | 2578 |
| AKLUJ | S1.PP | 2602 |
| KOLPEWADI | S.PP | 2605 |
| MULA | S.PP-S.JK | 2611.00-2621.00 |
| | M.PP | 2821 |
| WARANA | S1.PP-S2.PP | 2698.00-2693.00 |
| | M.PP | 2798 |
| LOKNETE | S.PP | 2538 |
| | S.JK | 2543 |
| CHOPDA | S.PP | 2770 |
| | S.JK | 2790 |
| SANGAMNER | S.JK-S1.JK | 2621.00-2713.00 |
| | M.JB | 2795 |
| NIRA BHIMA | S.JK | 2593 |
| | M.JK | 2763 |
| BHAIRAVNATH VIHAL | S1.PP | 2590 |
| BHAIRAVNATH SONERI | S.JB | 2575 |
| SADASHIV | S.PP | 2500 |
| | M.PP | 2633.00-2643.00 |