

Sugar & Gur Domestic & International Fundamentals

- Sugar prices are seems bullish at the moment with decreasing International sugar prices and weak demand. However, any change in govt policies would drive the prices upside.
- NCDEX launched sugar contract, which will be available for October onwards contracts and is aligned with the global market so that industry can protect itself from volatility in prices.
- Weak demand of sugar and oversupply of sugar by mills led the prices down in UP as reported.
- India produced 23.9 million tons of sugar till 22nd May 2014 down from 24.7 million tons sugar produced at same period last year. Out of total sugar production, Maharashtra, UP and Karnataka produced 7.7 million tons, 6.45 million tons and 4.1 million tons respectively.
- Maharashtra cane area is likely to increase for the next marketing year 2014-15 due to good water availability and timely remuneration by mills to farmers.
- Gur arrivals continuously declining in the markets giving hint of holdings by stockists. In Hapur mandi, there is no arrivals as reported.
- As on 7th April, Total around 803000 bags of 40 kg each of gur stored in warehouses presently which are lower compared to 983000 bags stored last year at same period in warehouses. Out of total gur stocks, 422000 bags of Chaku, 48000 bags of Rascut, 157000 bags of Papdi and 18000 bags of Khurpa gur stored in cold storages.

Outlook: Sugar prices are presently in a profit booking state. However, overall sentiments remained bullish for medium term due to lower production. Sugar may trade steady in the short term.

NCDEX Sugar Future Quotes

Contract	+/-	Open	High	Low	Close
June-14					
July-14					
Aug-14					

Contract	Volume	Change	OI	Change
June-14				
July-14				
Aug-14				

Spread

	June-14	July-14	Aug-14
Basis			
June-14			
July-14			

Stocks	Demat 23.5.14	In-Process 23.5.14	Total 23.5.14	FED 19.5.14
Kolhapur M	9865	240	10105	10364
Delhi M	3502	0	3502	2913
Belgaum M	100	0	100	100
Kolhapur S	8737	240	8977	9258
Sholapur S	1519	0	1519	3536
Sangli S	501	0	501	501
Belgaum S	10458	0	10458	

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
14- Aug	468.30	471.60	467.60	470.90	+1.30
14-Oct	477.30	479.90	476.60	479.20	+1.00
14-Dec	489.90	491.00	487.70	490.20	+0.50

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Jul-14					
Sep-14					
Nov-14					

Contract	Volume	Change	OI	Change
Jul-14				
Sep-14				
Nov-14				

Spread

	July-14	Sept-14	Nov-14
Basis			
July-14			
Sept-14			

Gur Stock Position	Chaku	Raskut	Papdi	Total
2014	422000	48000	157000	803000
2013	-	-	-	983000

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
14-July	17.34	17.45	17.26	17.37	-0.01
14-Oct	18.15	18.25	18.10	18.19	-0.02
15-Mar	19.10	19.14	19.01	19.07	-0.06

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	372	-
Raw Sugar C&F (\$/MT)	Black Sea	402	-
Sugar White FOB (\$/MT)	Santos Port	467.75	-

Brazil White Sugar Premium (US\$/MT)

Contract	Close	+/-
May'14/May'14	NR	-
Aug'14/Jul'14	NR	-
Oct'14/Oct'14	NR	-

Brazil Sugar/ Ethanol Prices (In Cents/lb)

Contract	Close	+/-
Brazil Domestic Sugar	NR	-
Brazil Anhydrous	NR	-
Brazil Hydrous	NR	-

Commodity	Price (\$/Ton)	Change
Thai Sugar FOB 45 Icumsa	468.2	-

Sugar and Jaggery (Gur) Prices at Key Spot Markets:

Commodity	Centre	Prices (Rs/Qtl)		Change
		24-May-2014	23-May-2014	
Sugar	Delhi - Grade M	3300	3300	Unch
	Delhi - Grade S	3240	3200	40
	Delhi - Grade L	3320	3340	-20
	UP- Khatauli Grade M	3370	3370	Unch
	UP- Ramala Grade M	3280	3280	Unch
	UP- Dhampur Grade M Ex-Mill	3220	3235	-15
	UP- Dhampur Grade S Ex-Mill	3200	3215	-15
	UP- Dhampur Grade L Ex-Mill	3270	3285	-15
	Mumbai –Grade M	3366	3366	Unch
	Mumbai –Grade S	3190	3196	-6
	Kolhapur – Grade M	3200	3200	Unch
	Kolhapur – Grade S	3050	3050	Unch
	Guhawati – Grade S	3360	3360	Unch
	Shillong – Grade S	3370	3370	Unch
	Vijayawada – Grade M	3560	3560	Unch
	Vijayawada- Grade S	3460	3460	Unch
	Nagpur – Grade M	3350	3350	Unch
	Nagpur – Grade S	3150	3150	Unch
	Kolkata – Grade M	3390	NA	-
	Chennai - Grade S	3100	3100	Unch
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3150	3150	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	3125	3125	Unch

-

Gur Spot Prices (Rs/Qtl)				
		24-May-2014	23-May-2014	Change
Muzaffar Nagar	Chaku	3153	3150	3
	Arrivals	700	800	-100
	Khurpa	2788	2800	-12
	Laddu	3100	3100	Unch
	Rascut	2375	2325	50

Seyana	Chaurasa	NA	NA	-
Hapur	Balti	NA	NA	-
Maharashtra	Lal Variety	3050	3050	Unch
Bangalore	Achhu	NA	NA	-
	Mudde	3200	3100	100
Belgaum	Mudde	2800	2700	100
Belthangadi	Yellow (Average)	3200	3200	Unch
Bijapur	Achhu	2800	2800	Unch
Gulbarga	Other (Average)	2900	3050	-150
Mahalingapura	Penti (Average)	3040	3040	Unch
Mandya	Achhu (Medium)	2450	2450	Unch
	Kurikatu (Medium)	2200	2200	Unch
	Other (Medium)	2350	2350	Unch
	Yellow (Medium)	2350	2350	Unch
Shimoga	Achhu (Average)	3400	3600	-200

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	23-May-2014
D.Y. PATIL	S1.PP	2998
	M.PP	3098
PANCHGANGA	M2.PP	3025

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>

© 2014 Indian Agribusiness Systems Pvt Ltd.