

Sugar & Gur Domestic & International Fundamentals

- Sugar markets close down today over rumors of ban on futures trading on essential commodities. Sugar prices in futures platform plunged by 1% assuming the effect of the news.
- Thai raw sugar premium eased to \$10 per ton down from \$15 per ton traded last week.
- 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 improved today in Muzaffar nagar spot market which depress the prices of gur in spot as well as in futures market.
- 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	-21	3017	3021	2985	2995
July-14	-30	3007	3011	2973	2977
Aug-14	-30	3025	3025	2961	2990

Contract	Volume	Change	OI	Change
June-14	18560	16630	44250	-5760
July-14	7770	5930	25900	1520
Aug-14	3620	2700	13190	1970

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

Stocks	Demat 24.5.14	In-Process 24.5.14	Total 24.5.14	FED 19.5.14
Kolhapur M	9865	0	9865	10364
Delhi M	3502	0	3502	2913
Belgaum M	100	0	100	100
Kolhapur S	8737	0	8737	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	-5.5	1186	1189	1179	1183
Sep-14	-11.5	1205	1207.5	1194.5	1197
Nov-14	-10	1090	1090	1090	1090

Contract	Volume	Change	OI	Change
Jul-14	3800	-1240	8950	280
Sep-14	2830	-850	4850	520
Nov-14	10	-10	130	0

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
		26-May-14	24-May-14	
Sugar	Delhi - Grade M	3265	3300	-35
	Delhi - Grade S	3205	3240	-35
	Delhi - Grade L	3300	3320	-20
	UP- Khatauli Grade M	3370	3370	Unch
	UP- Ramala Grade M	3280	3280	Unch
	UP- Dhampur Grade M Ex-Mill	3220	3220	Unch
	UP- Dhampur Grade S Ex-Mill	3200	3200	Unch
	UP- Dhampur Grade L Ex-Mill	3270	3270	Unch
	Mumbai –Grade M	3366	3366	Unch
	Mumbai –Grade S	3192	3190	2
	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	3520	3560	-40
	Vijayawada- Grade S	3420	3460	-40
	Nagpur – Grade M	3350	3350	Unch
	Nagpur – Grade S	3150	3150	Unch
	Kolkata – Grade M	NA	3390	-
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3150	3150	Unch
	Ambikapur (Chattisgarh)- Grade S (Without Duty)	3125	3125	Unch
	Chennai - Grade S	3100	3100	Unch

Sugar Prices are in INR/Quintal. (1 Quintal=100 kg)

Jaggery(Gur) Spot Prices (Rs/Qtl)				
		26-May-14	24-May-14	Change
Muzaffar Nagar	Chaku	3150	3153	-3
	Chaku(Arrival)	1000	700	300
	Khurpa(New)	2750	2788	-38
	Laddoo(New)	3000	3100	-100

	Rascut	2375	2375	Unch
Hapur	Chaurasa	NA	NA	-
	Balti	NA	NA	-
Maharashtra	Lal Variety	3050	3050	Unch
Bangalore	Achhu	NA	NA	-
	Mudde	3200	3200	Unch
Belgaum	Mudde	2800	2800	Unch
Belthangadi	Yellow (Average)	3200	3200	Unch
Bijapur	Achhu	2700	NA	-
Gulbarga	Other (Average)	3100	2900	200
Mahalingapura	Penti (Average)	2960	NA	-
Mandya	Achhu (Medium)	2400	2450	-50
	Kurikatu (Medium)	2200	2200	Unch
	Other (Medium)	2350	2350	Unch
	Yellow (Medium)	2350	2350	Unch
Shimoga	Achhu (Average)	3700	3400	300

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