

Sugar & Gur Domestic & International Fundamentals

- Prices of sugar declined continuously over higher supply by mills and weak demand.
- Various mills in Brazil as closing down for the current season as Brazilian govt curb fuel price hike concerning rising inflation rate. With over production of sugar and lesser demand of fuel urge Brazilian millers to sell sugar in the global markets to get some capital and minimize their losses.
- Brazil Center south region mills produced 1.91 million tons of sugar in the first half of May compared to 930,600 tons produced in the same period last year.
- Thai hipol premiums fall to 10-20 pts from 25 pts 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.
- Gur prices declined sharply today in Muzaffar nagar spot market.
- Total around 1061000 bags of 40 kg each of gur stored in warehouses presently which are lower compared to 1233000 bags stored last year at same period in warehouses. Out of total gur stocks, 560000 bags of Chaku, 61000 bags of Raskut, 202000 bags of Papdi and 23000 bags of Khurpa gur stored in cold storages. It is notable that lower gur stock stored in cold storages would support the prices of gur in the medium term.

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	1	2987	3001	2987	2996
July-14	4	2912	2975	2912	2972
Aug-14	3	2974	2990	2974	2983

Contract	Volume	Change	OI	Change
June-14	14640	-	42610	-
July-14	4870	-	25620	-
Aug-14	2850	-	14230	-

NCDEX Gur Future Quotes:

Contract	+/-	Open	High	Low	Close
Jul-14	-2.5	1179	1179	1161	1166
Sep-14	-4	1181	1182.5	1172	1175.5
Nov-14	-10.5	1104	1104	1083	1083

Contract	Volume	Change	OI	Change
Jul-14	6490	-	8960	-
Sep-14	6830	-	5240	-
Nov-14	40	-	140	-

Spread	July-14	Sept-14	Nov-14
Basis	104		
July-14		-24	-13
Sept-14			11

Spread	July-14	Sept-14	Nov-14
Basis	24		
July-14		9.5	-83
Sept-14			-92.5

NCDEX Stock & Fed Position

Stocks	Demat	In-Process		Total	FED
		29.5.14	29.5.14		
Kolhapur M	8765	10		8775	9865
Delhi M	2905	0		2905	3502
Belgaum M	100	698		798	100
Kolhapur S	8765	10		8775	8737
Sholapur S	1519	0		1519	1519
Sangli S	501	0		501	501
Belgaum S	8972	698		9670	10458
Delhi S	1323	0		1323	1523

Gur Stock Position	Chaku	Raskut	Papdi	Total
2014	560000	61000	202000	1061000
2013	752000	135000	197000	1233000

Brazil Sugar Quotes (Kingsman US\$/MT)

Commodity	Place	Price	Change
Raw Sugar FOB (\$/MT)	Santos Port	364.75	-
Raw Sugar C&F (\$/MT)	Black Sea	394.75	-
Sugar White FOB (\$/MT)	Santos Port	461.00	-

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	470.10	-

LIFFE Sugar Futures (In US\$/MT)

Contract	Open	High	Low	Close	+/-
14- Aug	468.50	476.20	468.40	473.00	+5.80
14-Oct	476.40	484.50	476.40	480.70	+5.80
14-Dec	487.80	494.70	487.80	491.50	+5.30

ICE Sugar Futures (In Cents/Pound)

Contract	Open	High	Low	Close	+/-
14-July	17.17	17.57	17.17	17.48	+0.37
14-Oct	18.01	18.38	18.00	18.31	+0.36
15-Mar	18.97	19.25	18.92	19.19	+0.13

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

Commodity	Centre	Prices (Rs/Qtl)		Change
		30-May-2014	29-May-2014	
Sugar	Delhi - Grade M	3250	3250	Unch
	Delhi - Grade S	3200	3200	Unch
	Delhi - Grade L	3300	3300	Unch
	UP- Khatauli Grade M	3330	3330	Unch
	UP- Ramala Grade M	3260	3260	Unch
	UP- Dhampur Grade M Ex-Mill	3205	3210	-5
	UP- Dhampur Grade S Ex-Mill	3185	3190	-5
	UP- Dhampur Grade L Ex-Mill	3255	3260	-5
	Mumbai –Grade M	3322	3346	-24
	Mumbai –Grade S	3162	3172	-10
	Kolhapur – Grade M	3100	3150	-50
	Kolhapur – Grade S	2950	2975	-25
	Guhawati – Grade S	3258	3284	-26
	Shillong – Grade S	3270	3295	-25
	Vijayawada – Grade M	3520	3520	Unch
	Vijayawada- Grade S	3420	3420	Unch
	Nagpur – Grade M	3250	3300	-50
	Nagpur – Grade S	3100	3100	Unch
	Kolkata – Grade M	3290	3290	Unch
	Chennai - Grade S	3050	3050	Unch
	Ambikapur (Chattisgarh)- Grade M (Without Duty)	3150	3150	Unch

	Ambikapur (Chattisgarh)- Grade S (Without Duty)	3125	3125	Unch
--	---	------	------	------

Gur Spot Prices (Rs/Qtl)				
		30-May-2014	29-May-2014	Change
Muzaffar Nagar	Chaku	2975	3025	-50
	Arrivals	200	500	-300
	Khurpa	2725	2725	Unch
	Laddu	2975	2950	25
	Rascut	2325	2325	Unch
Seyana	Chaurasa	NA	NA	-
Hapur	Balti	NA	NA	-
Maharashtra	Lal Variety	2900	2950	-50
Bangalore	Achhu	NA	NA	-
	Mudde	NR	3200	-
Belgaum	Mudde	NR	2700	-
Belthangadi	Yellow (Average)	NR	NR	-
Bijapur	Achhu	NR	2650	-
Gulbarga	Other (Average)	NR	3050	-
Mahalingapura	Penti (Average)	NR	NR	-
Mandya	Achhu (Medium)	NR	2300	-
	Kurikatu (Medium)	NR	2200	-
	Other (Medium)	NR	2350	-
	Yellow (Medium)	NR	2350	-
Shimoga	Achhu (Average)	NR	3700	-

Maharashtra Cooperative Mills Tender Prices		
Centre	Origin/Grade	29-May-2014
SOMESHWAR	S1.PP	2918
	M.PP	3028
SHREEPUR	S.PP-S1.PP	2915-2975
	M.PP	3015
MADHA	S.PP	2900
AKLUJ	S.PP-S1.PP	2888-2913
	S1.JK	2923
CHOPDA	S.PP	2940
GHODGANGA	S.PP	2895
	M.PP	3005
ASHOK	S.PP	2916-2923
	M.PP	3020
AMBALIKA	S.PP	2890
	M.PP	2990
FEBTECH	S.PP-S1.PP	2838-2868
	M.PP	3008
SATISH	S1.PP	2930

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.